
MACQUARIE BANK LIMITED

(ABN 46 008 583 542)

(incorporated with limited liability in the Commonwealth of Australia)

STRUCTURED NOTE PROGRAMME

Macquarie Bank Limited (ABN 46 008 583 542) ("Issuer") is a corporation constituted with limited liability under the laws of the Commonwealth of Australia and is authorised to carry on banking business in the Commonwealth of Australia, the United Kingdom, Hong Kong, Singapore and South Korea.

The Issuer has established the Macquarie Bank Limited US\$5,000,000,000 Structured Note Programme ("Programme") pursuant to the Base Prospectus, dated 11 August 2014, as supplemented by the Supplement, dated 9 December 2014, and as further amended and/or supplemented from time to time ("Base Prospectus"). The Issuer may, from time to time, issue direct, unsecured, unsubordinated and unconditional notes ("Notes") under the Programme pursuant to the Base Prospectus.

The maximum aggregate Nominal Amount of all Notes from time to time outstanding under the Programme will not exceed US\$5,000,000,000 (or its equivalent in other currencies), subject to increase in accordance with the terms of the Programme Agreement.

Each Tranche of Notes issued under the Programme pursuant to the Base Prospectus will be issued on and subject to the terms set out in the Base Prospectus which are relevant to such Notes under "Terms and Conditions of the Notes" ("Note Conditions") and any applicable Additional Terms and Conditions set out in the Base Prospectus (together with the Note Conditions, the "Base Conditions") and on such additional terms as are set out in the applicable Final Terms (the "Final Terms"). The Issuer may offer Notes acting through its head office in Sydney or through one or more of its branches outside Australia as specified in the applicable Final Terms.

Notes may be listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST") if the application to the SGX-ST to list a particular Series of Notes is approved. Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange/s or market/s as is determined by the Issuer, including the JSE Limited ("JSE").

This document ("Inward Listings Supplement") is a supplement to the Base Prospectus and has been prepared by the Issuer for purposes of the issue of Tranche/s of Notes, under the Programme, in South Africa ("SA Notes") and the listing of Tranche/s of SA Notes on the Interest Rate Market of the JSE, subject to and in accordance with Exchange Control Directive H and the JSE Debt Listings Requirements. This Inward Listings Supplement as read with the Base Prospectus ("Placing Document") is a "Placing Document" for purposes of the JSE Debt Listings Requirements.

Exchange Control Directive H enables non-South African issuers, subject to the provisions of Exchange Control Directive H, to issue certain specified types of securities to investors in South Africa provided, among other things, such securities are "inwardly listed" on the JSE.

The Exchange Control Approval constitutes the in principle written approval of the Exchange Control Authorities to the Issuer issuing SA Notes which are "inwardly listed" on the Interest Rate Market of the JSE, as contemplated in Exchange Control Directive H. In terms of the Exchange Control Approval, the issue of each Tranche of SA Notes, under the Programme, pursuant to the Placing Document, requires the prior written approval of the Exchange Control Authorities for purposes of Exchange Control Directive H. No Tranche of SA Notes will be issued, under the Programme, pursuant to the Placing Document, unless the Issuer has obtained the prior written approval of the Exchange Control Authorities to the issue of that Tranche of SA Notes, as specified in the Exchange Control Approval.

This Inward Listings Supplement will only apply to SA Notes issued under the Programme, pursuant to the Placing Document, in an aggregate Outstanding Nominal Amount which does not exceed ZAR10,000,000,000.

This Inward Listings Supplement must be read in conjunction with the Base Prospectus and the documents incorporated by reference into the Base Prospectus. The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au. Capitalised terms used in this Inward Listings Supplement shall, unless separately defined in this Inward Listings Supplement, have the meanings ascribed to them in the Base Prospectus.

Application has been made to the JSE for the approval of this Inward Listings Supplement. This Inward Listings Supplement was approved by the JSE on 27 March 2015. This Inward Listings Supplement applies only to the issue of Tranches of SA Notes under the Programme. This Inward Listings Supplement is available on the internet site www.macquarie.co.za/mgl/za/debt-listing-documents and on the JSE's website at www.jse.co.za.

Each Tranche of SA Notes issued under the Programme pursuant to the Placing Document will be issued on and subject to the Base Conditions as read with the applicable Final Terms. The section of this Inward Listings Supplement headed "South African Terms and Conditions" ("SA Terms and Conditions") is incorporated by reference into and forms part of the applicable Final Terms of a Tranche of SA Notes, and all references to "Final Terms" and "applicable Final Terms" in this Inward Listings Supplement and the SA Terms and Conditions must be construed accordingly.

In relation to Tranche/s of SA Notes only, if and to the extent that there is any conflict or inconsistency between (i) any of the provisions of this Inward Listings Supplement and any of the provisions of the Base Prospectus, the provisions of this Inward Listings Supplement shall prevail and/or (ii) any of the provisions of the applicable Final Terms (including the SA Terms and Conditions) and any of the provisions of the Base Conditions, the provisions of the applicable Final Terms (including the SA Terms and Conditions) shall prevail.

Prospective investors in the SA Notes should pay particular attention to the section of the Base Prospectus headed "Risk Factors" and the section of this Inward Listings Supplement headed "Risk Factors".

Debt Sponsor: The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division

GENERAL NOTICE

The Issuer accepts full responsibility for the accuracy of the information contained in the Placing Document, the Final Terms applicable to each Tranche of SA Notes issued under the Programme pursuant to the Placing Document ("**applicable Final Terms**"), the annual financial reports of the Issuer and any amendments to such annual financial reports, and each supplement to this Inward Listings Supplement and/or the Base Prospectus published by the Issuer from time to time (except as otherwise stated therein). The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make any statement contained in the Placing Document false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Placing Document contains or incorporates by reference (see the section of the Base Prospectus headed "*Documents Incorporated by Reference*" and the section of this Inward Listings Supplement headed "*Documents Incorporated by Reference*") all information required by the JSE Debt Listings Requirements and all other Applicable Laws.

The Issuer, having made all reasonable enquiries, confirms that the Placing Document contains or incorporates by reference (see the section of the Base Prospectus headed "*Documents Incorporated by Reference*" and the section of this Inward Listings Supplement headed "*Documents Incorporated by Reference*") all information that is material in the context of the issue and the offering of SA Notes, that the information contained in (or incorporated by reference into) the Placing Document as at the Supplement Date (see the section of the Base Prospectus headed "*Documents Incorporated by Reference*" and the section of this Inward Listings Supplement headed "*Documents Incorporated by Reference*") is not misleading and that the opinions and intentions expressed in the Placing Document are honestly held.

The JSE assumes no responsibility or liability of whatsoever nature for the correctness of any of the statements made or opinions expressed or information contained in or incorporated by reference into the Placing Document. The admission of any Tranche of SA Notes to the list of Debt Securities maintained by the JSE and the listing of such SA Notes on the Interest Rate Market of the JSE is not to be taken as an indication of the merits of the Issuer or the SA Notes. The JSE assumes no responsibility or liability of whatsoever nature for the contents of the Placing Document or any applicable Final Terms or any information incorporated by reference into the Placing Document, and the JSE makes no representation as to the accuracy or completeness of the Placing Document or any applicable Final Terms, or any information incorporated by reference into the Placing Document. The JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Placing Document or any applicable Final Terms or any information incorporated by reference into the Placing Document.

The Issuer makes no representation or warranties as to the settlement procedures of the CSD or the JSE.

The Placing Document must be read in conjunction with all documents which are incorporated by reference into the Placing Document (see the section of the Base Prospectus headed "*Documents Incorporated by Reference*" and the section of this Inward Listings Supplement headed "*Documents Incorporated by Reference*"). The Placing Document must be read and construed on the basis that such documents are incorporated into and form part of the Placing Document.

No person is authorised to give any information or to make any representation other than those contained in or consistent with the Placing Document. If any such information is given or representation is made, it must not be relied upon as having been authorised by the Issuer, the JSE, the Debt Sponsor, the Arranger, the Dealer/s or any of their respective Affiliates and advisers.

Neither the delivery of the Placing Document nor any offer, sale, allotment or solicitation made in connection with the offering of the SA Notes shall, in any circumstances, create any implication or constitute any representation that there has been no change in the affairs of the Issuer since the Supplement Date or that the information contained in or incorporated by reference into the Placing Document (see the section of the Base Prospectus headed "*Documents Incorporated by Reference*" and the section of this Inward Listings Supplement headed "*Documents Incorporated by Reference*") is correct at any time subsequent to the date of the document containing such information.

Neither the JSE nor the Debt Sponsor nor the Arranger nor the Dealer/s nor their respective Affiliates and advisers have separately verified the information contained in or incorporated by reference into the Placing Document. Neither the JSE nor the Debt Sponsor nor the Arranger nor the Dealer/s nor their respective Affiliates and advisers accept any liability in relation to the information contained in (or incorporated by reference into) the Placing Document or any other information provided by the Issuer in connection with the Programme or the SA Notes.

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the JSE, the Debt Sponsor, the Arranger, the Dealer/s or their respective Affiliates and advisers as to the accuracy or completeness of the information contained in or incorporated by reference into the Placing Document or any other information provided by the Issuer in connection with the Programme or the SA Notes. Each person receiving the Placing Document acknowledges that such person has not relied on the JSE, the Debt Sponsor, the Arranger, the Dealer/s or any of their respective Affiliates and advisers in connection with its investigation of the accuracy of such information or its investment decision.

Neither the Placing Document nor any other information supplied in connection with the Programme and/or the SA Notes is intended to provide the basis of any credit or other evaluation, or should be considered as a recommendation or a statement of opinion, or a report of either of those things, by the JSE, the Issuer, the Debt Sponsor, the Arranger or the Dealer/s that any recipient of the Placing Document or any other information supplied in connection with the Programme and/or the SA Notes, should purchase any SA Notes.

Each person contemplating making an investment in the SA Notes must make its own investigation and analysis of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the terms of the offering and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, the extent of its exposure to risk (see the section of the Base Prospectus headed "Risk Factors" and the section of this Inward Listings Supplement headed "South African Risk Factors") and any other factors which may be relevant to it in connection with such investment.

Neither the JSE nor the Debt Sponsor nor the Arranger nor the Dealer/s undertake to review the financial condition or affairs of the Issuer or to advise any investor or potential investor in the SA Notes of any information coming to the attention of the JSE, the Debt Sponsor, the Arranger or the Dealer/s.

Neither the Placing Document nor any applicable Final Terms nor any other information supplied in connection with the Programme and/or the SA Notes constitutes an offer or an invitation by or on behalf of the Issuer, the Debt Sponsor, the Arranger or the Dealer/s to any person to subscribe for or to purchase or otherwise deal in any SA Notes.

The distribution of the Placing Document and/or any applicable Final Terms and the issue, offering or sale of SA Notes in certain jurisdictions may be restricted by law (see the section of the Base Prospectus headed "Subscription and Sale" and the section of this Inward Listings Supplement headed "South African Subscription and Sale").

Neither the Issuer nor the Debt Sponsor nor the Arranger nor the Dealer/s represent that the Placing Document and/or any applicable Final Terms may be lawfully distributed, or that any SA Notes may be lawfully offered, subscribed for or sold, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution, offering, subscription or sale.

In particular, save for obtaining the approval of this Inward Listings Supplement by the JSE, no action has been taken by the Issuer, the Debt Sponsor, the Arranger or the Dealer/s which would permit a public offering of any SA Notes or a distribution of the Placing Document and/or any applicable Final Terms in any jurisdiction where action for that purpose is required.

No SA Notes may be offered or sold, directly or indirectly, and neither the Placing Document nor any applicable Final Terms nor any advertisement or other offering material relating to the Programme and/or the SA Notes may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all Applicable Laws and regulations.

Neither the Placing Document nor any applicable Final Terms are for distribution in, and do not constitute an offer of SA Notes for sale or subscription in, the United States of America or in any other jurisdiction in which such a distribution or such offer for sale or subscription would be unlawful or would require qualification or registration. It is the responsibility of any person wishing to subscribe for or purchase SA Notes to satisfy himself as to the full observance of the laws of the relevant jurisdiction.

The SA Notes have not been and will not be registered under the United States Securities Act of 1933, as amended ("Securities Act"). The SA Notes may not be offered or sold in the United States of America or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the US Securities Act.

Persons into whose possession the Placing Document and/or any applicable Final Terms comes are required by the Issuer, the Debt Sponsor, the Arranger and the Dealer/s to comply with all Applicable Laws and regulations in each country or jurisdiction in which they subscribe for, purchase, offer, sell, transfer or deliver SA Notes or have in their possession or distribute the Placing Document and/or any applicable Final Terms and to obtain any consent, approval or permission required by them for the subscription, purchase, offer, sale, transfer or delivery by them of any SA Notes under the law and regulations in force in any country or jurisdiction to which they are subject or in which they make such subscriptions, purchases, offers, sales, transfers or deliveries, in all cases at their own expense, and none of the Issuer, the Debt Sponsor, the Arranger or the Dealer/s shall have responsibility therefor.

Any SA Notes purchased or subscribed for by any person who wishes to offer such SA Notes for sale or resale may not be offered in any country or jurisdiction in circumstances which would result in the Issuer being obliged to register the Placing Document and/or the Base Prospectus and/or any applicable Final Terms or any further prospectus or corresponding document relating to the SA Notes in such country or jurisdiction.

Australian Banking Legislation

The Issuer is an "authorised deposit-taking institution" ("ADI") as that term is defined under the Banking Act 1959 of Australia ("Banking Act"). Section 13A(3) of the Banking Act provides that the assets of an ADI in Australia are, in the event of the ADI becoming unable to meet its obligations or suspending payment, to be made available to meet in priority to all other liabilities of that ADI:

- first, certain obligations of the ADI to the Australian Prudential Regulation Authority ("APRA") (if any) arising under the financial claims scheme established by Division 2AA of Part II of the Banking Act in respect of amounts payable by APRA to holders of protected accounts up to a maximum of A\$250,000 per holder for all protected accounts held by the holder with the ADI. A "protected account" is either (a) an account where the ADI is required to pay the account-holder, on demand or at an agreed time, the net credit balance of the account, or (b) another account or financial product prescribed by regulation;

- second, APRA's costs in exercising its powers and performing its functions relating to financial claims scheme for account holders with insolvent ADIs;
- third, the ADI's liabilities (if any) in Australia in relation to protected accounts that accountholders keep with the ADI;
- fourth, the ADI's debts (if any) to the Reserve Bank of Australia ("RBA");
- fifth, the ADI's liabilities (if any) under an industry support contract that is certified under section 11CB of the Banking Act; and
- sixth, the ADI's other liabilities (if any) in the order of their priority apart from section 13A of the Banking Act.

Under section 16(2) of the Banking Act, certain other debts due to APRA shall in a winding-up of an ADI have, subject to section 13A(3) of the Banking Act, priority over all other unsecured debts of that ADI. Further, under section 86 of the Reserve Bank Act, debts due by an ADI to the RBA shall, in a winding-up of that bank, have, subject to section 13A(3) of the Banking Act, priority over all other debts of that bank.

The SA Notes do not constitute a protected account of, or a deposit with, the Issuer.

Stabilisation and pricing

In connection with the issue and placing of any Tranche of SA Notes, the Issuer or the Dealer (if any) who is designated in the applicable Final Terms as the approved stabilisation manager ("**Stabilisation Manager**") may, to the extent permitted by and in accordance with Applicable Laws and subject to the approval of the JSE, over-allot or effect transactions with a view to supporting the market price of SA Notes in the same Series as those SA Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising must be carried out in accordance with all Applicable Laws.

The price/yield and amount of a Tranche of SA Notes will be determined by the Issuer and the relevant Dealer/s at the time of issue in accordance with prevailing market conditions.

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DOCUMENTS INCORPORATED BY REFERENCE

This Inward Listings Supplement must be read in conjunction with the Base Prospectus and the documents incorporated by reference into the Base Prospectus.

The documents incorporated by reference into the Base Prospectus are listed in the section of the Base Prospectus headed "*Documents Incorporated by Reference*".

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

The documents incorporated by reference into the Base Prospectus include the 2013 annual report and 2014 annual report of the Issuer. The 2013 annual report and 2014 annual report of the Issuer include, respectively, the audited annual financial statements of the Issuer and the Issuer consolidated with its controlled entities for the financial years ended 31 March 2013 and 2014, respectively, and the independent audit report in respect of such financial statements. These annual reports are available on the internet site www.macquarie.com.au.

In addition to the documents incorporated by reference into the Base Prospectus, the following documents are incorporated by reference into, and form part of, this Inward Listings Supplement:

- a) the 2012 annual report of the Issuer which includes the audited annual financial statements of the Issuer and the Issuer consolidated with its controlled entities for the financial year ended 31 March 2012, and the independent audit report in respect of such financial statements;
- b) the interim financial report of the Issuer for the half-year ended 30 September 2014;
- c) the applicable Final Terms of each Tranche of SA Notes;
- d) each supplement to this Inward Listings Supplement prepared by the Issuer from time to time;
- e) all information pertaining to the Issuer which is relevant to SA Notes issued under the Programme and/or this Inward Listings Supplement which is (i) electronically submitted via the JSE Stock Exchange News Service ("**SENS**") to SENS subscribers and/or (ii) available on any electronic news service established or used or required by the JSE;
- f) all information which relates to the ratings, financial performance or future financial results of the Issuer released by the Issuer to the Australian Securities Exchange operated by ASX Limited ("**ASX**") in compliance with the continuous disclosure requirements of the ASX Listing Rules,

save that any statement contained in this Inward Listings Supplement or in any document which is incorporated by reference into this Inward Listings Supplement shall be deemed to be modified or superseded for the purpose of this Inward Listings Supplement to the extent that a statement contained in any document which is subsequently incorporated by reference into this Inward Listings Supplement modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

For purposes of Rule 4.19(a) of the JSE Debt Listings Requirements, the Specified Office of the Issuer is located in Sydney, Australia.

The 2012 annual report of the Issuer and the interim financial report of the Issuer for the half-year ended 30 September 2014 are available on the internet site www.macquarie.com.au. The Base Prospectus and each supplement to the Base Prospectus (other than the Inward Listings Supplement) are available (or will be available) on the internet site www.macquarie.com.au.

This Inward Listings Supplement, each supplement to this Inward Listings Supplement and the applicable Final Terms of each Tranche of SA Notes are available (or will be available) on the internet site www.macquarie.co.za/mgl/za/debt-listing-documents and on the JSE's website at www.jse.co.za.

The Issuer is required by applicable legislation to update the Base Prospectus on an annual basis. The update to the Base Prospectus will incorporate the then most recent annual report of the Issuer for the relevant financial year of the Issuer after the Supplement Date. Such annual report will include the audited annual financial statements of the Issuer and the Issuer consolidated with its controlled entities for the relevant financial year, and the independent audit report in respect of such financial statements. Such annual report will (as and when such annual report is approved and becomes available) be available on the internet site www.macquarie.com.au.

The Issuer will, for so long as any SA Notes remain outstanding and listed on the Interest Rate Market of the JSE, publish a new Inward Listings Supplement or a supplement to this Inward Listings Supplement, as the case may be, if (in relation only to Tranches of SA Notes and/or the Noteholders of SA Notes and/or potential investors in SA Notes) (a) any of the information contained in the Placing Document becomes outdated in a material respect or (b) after the annual financial statements of the Issuer for any financial year are incorporated by reference into the Base Prospectus, any of the information contained in such annual financial statements becomes outdated in a material respect, as the case may be. Any new Inward Listings Supplement or supplement to this Inward Listings Supplement, as the case may be, must be approved by the JSE.

Any such new Inward Listings Supplement or Inward Listings Supplement as supplemented, as the case may be, will be deemed to have substituted the Placing Document from the date of issue of the new Inward Listings Supplement or supplement to this Inward Listings Supplement, as the case may be.

SOUTH AFRICAN RISK FACTORS

Prospective investors in SA Notes are referred to the section of the Base Prospectus headed "Risk Factors" for a summary of the investment considerations which the Issuer believes represent the principal risks inherent in investing in SA Notes.

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

The risk factors and investment considerations set out in the section of the Base Prospectus headed "Risk Factors" are in addition to, and must be read together with the risk factors and the investment considerations set out in this section of the Inward Listings Supplement headed "South African Risk Factors".

Prospective investors should, prior to investing in any SA Note, consult their own financial, tax and legal advisers as to the risks and investment considerations arising from an investment in any such SA Notes, the appropriate tools to analyse such an investment, and the suitability of such an investment in the context of the particular circumstances of each investor.

The Issuer is an ADI as that term is defined under the Banking Act 1959 of Australia (see the section of this Inward Listings Supplement headed "General Notice" under "Australian Banking Legislation").

Exchange control

Since 1995, certain exchange controls in South Africa have been relaxed. The extent to which the South African Government (the "Government") may further relax such exchange controls cannot be predicted with certainty, although the Government has committed itself to a gradual approach of relaxation. Further relaxation, or abolition of exchange controls, may precipitate a change in the capital flows to and from South Africa. In the event of the immediate abolition of exchange control there may be a sudden withdrawal of Rand from the South African market by investors. Because South Africa has a fully floating exchange rate and a flexible interest rate policy, this could result in a rapid depreciation of the Rand exchange rate which could serve to stem the flight and could also result in an increase in interest rates due to the depreciation of the Rand.

Exchange Control Directive H issued by the Exchange Control Authorities in terms of the Exchange Control Regulations enables non-South African issuers, subject to the provisions of Exchange Control Directive H, to issue certain specified types of securities to investors in South Africa provided, among other things, such securities are "inwardly listed" on the JSE. Exchange Control Directive H provides, among other things, that the issue of such securities by a non-South African issuer requires the prior written approval of the Exchange Control Authorities in terms of the Exchange Control Regulations.

The Exchange Control Approval constitutes the in principle written approval of the Exchange Control Authorities to the Issuer issuing SA Notes which are "inwardly listed" on the Interest Rate Market of the JSE, as contemplated in Exchange Control Directive H. In terms of the Exchange Control Approval, the issue of each Tranche of SA Notes, under the Programme, pursuant to the Placing Document, requires the prior written approval of the Exchange Control Authorities for purposes of Exchange Control Directive H. No Tranche of SA Notes will be issued, under the Programme, pursuant to the Placing Document, unless the Issuer has obtained the prior written approval of the Exchange Control Authorities to the issue of that Tranche of SA Notes, as specified in the Exchange Control Approval (see the section of this Inward Listings Supplement headed "South African Exchange Control").

Legal investment considerations may restrict certain investments

The investment activities of certain investors may be subject to legal investment laws and regulations (including, without limitation, Exchange Control Directive H), or review or regulation by certain authorities. Each potential investor in SA Notes should consult its legal advisers to determine whether and to what extent (a) the SA Notes are legal investments for it, (b) the SA Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its subscription for or purchase of or pledge of the SA Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the SA Notes under any applicable risk-based capital or asset allocation or similar rules.

Exchange Control Directive H may impose restrictions on certain investors in the SA Notes.

Listing and limited liquidity of the SA Notes

Each Tranche of SA Notes will, subject to all Applicable Laws, be listed on the Interest Rate Market of the JSE.

The continued listing of any Tranche of SA Notes listed on the Interest Rate Market of the JSE is subject to the rules of the JSE in force from time to time. There can accordingly be no assurance that the listing of any Tranche of SA Notes will continue until maturity.

There may be a limited secondary market for the SA Notes. There can be no assurance that any secondary market for any of the SA Notes will continue until maturity. Generally, SA Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors will have a more limited secondary market and more price volatility than conventional debt

securities. Illiquidity may have a severely adverse effect on the market value of SA Notes. Consequently, a subscriber or purchaser must be prepared to hold its SA Notes until maturity.

In addition, Noteholders of SA Notes should be aware that global credit market conditions may lead to a general lack of liquidity in the secondary market for instruments similar to the SA Notes. Such lack of liquidity may result in investors suffering losses on the SA Notes in secondary re-sales even if there is no decline in the performance of the assets of the Issuer.

If the SA Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

Noteholders that trade in interest-bearing SA Notes during the period that the Register is closed prior to each Interest Payment Date, will need to reconcile any amounts payable on the following Interest Payment Date pursuant to a partial redemption of the SA Notes. As a result, secondary market liquidity of the SA Notes may reduce during this period.

SA Notes held in the CSD

Each Tranche of SA Notes issued will be issued in registered uncertificated form and will be held in the CSD. Noteholders of the SA Notes (and the holders of Beneficial Interests in the SA Notes) will have to rely on the procedures of the JSE and the CSD for transfer, payment and communication with the Issuer. Except in the circumstances described in the SA Terms and Conditions, Noteholders of the SA Notes will not be entitled to receive Certificates.

The CSD will maintain records of the Beneficial Interests in SA Notes held in the CSD. While SA Notes are held in the CSD, the holders of Beneficial Interests in such SA Notes will be able to trade their Beneficial Interests in such SA Notes only through the CSD. While SA Notes are held in the CSD, the Issuer will discharge its payment obligations under such SA Notes by making payments to or to the order of the CSD's Nominee, for distribution, via the CSD Participants, to the holders of Beneficial Interests in such SA Notes. A holder of a Beneficial Interest in SA Notes must rely on the procedures of the CSD and CSD Participants to receive payments under such SA Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, Beneficial Interests.

Holders of Beneficial Interests in SA Notes vote in accordance with the Applicable Procedures and will not have a direct right to vote in respect of such SA Notes. Subject to the Financial Markets Act, the holder of a Beneficial Interest will be entitled to exchange such Beneficial Interest for SA Notes represented by a Certificate in accordance with Condition 6 of the SA Terms and Conditions.

SA Notes represented by Certificates where the denominations involve integral multiples

If the aggregate Nominal Amount of SA Notes held by a Noteholder is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, the Certificate representing such SA Notes will be issued in accordance with, and be governed by, the Applicable Procedures.

A Noteholder which holds SA Notes in an aggregate Outstanding Nominal Amount which is less than the minimum Specified Denomination may not receive a Certificate in respect of such holding and may need to purchase an additional Nominal Amount of SA Notes such that its total holding of such SA Notes amounts to the minimum Specified Denomination.

Holders of SA Notes which are represented by a Certificate should be aware that, where such SA Notes have a denomination which is a fraction of the Specified Denomination or a fraction of any multiple thereof, such SA Notes may be illiquid and difficult to trade.

Commercial Paper Regulations

The commercial paper regulations of 14 December 1994 set out in Government Notice 2172 and published in Government Gazette 16167 of 14 December 1994 ("Commercial Paper Regulations") comprise an exemption to "*the business of a bank*" as defined in the Banks Act, 1990, of South Africa ("Banks Act").

An issuer of debt securities who would otherwise, in the issue and placing of any debt securities in South Africa, conduct "*the business of a bank*" in South Africa and therefore be required to register as a bank under the Banks Act, need not do so if, in the issue and placing of those debt securities, the issuer complies with the Commercial Paper Regulations.

The question of whether the Issuer, in the issue and placing of a Tranche of SA Notes in South Africa, conducts "*the business of a bank*" as defined in the Banks Act is a question of fact.

If the Issuer, in the issue and placing of a Tranche of SA Notes in South Africa, does *in fact* conduct "*the business of a bank*" as defined in the Banks Act, the Issuer will comply with the Commercial Paper Regulations in relation to the issue and placing of that Tranche of SA Notes.

Where the Issuer, in the issue and placing of a Tranche of SA Notes in South Africa, *does not in fact* conduct "*the business of a bank*" as defined in the Banks Act, the Issuer may nevertheless elect, in its sole and absolute discretion, to comply with the Commercial Paper Regulations in relation to the issue and placing of that Tranche of SA Notes.

If the Issuer, in relation to the issue and placing of a Tranche of SA Notes, (i) conducts "*the business of a bank*" as defined in the Banks Act and is therefore obliged to comply with the Commercial Paper Regulations or (ii) does not conduct "*the business of a bank*" as defined in the Banks Act but nevertheless elects to comply with the Commercial Paper Regulations, as the case may

be, the Issuer will procure that annexure "A" to the applicable Final Terms of that Tranche of SA Notes is completed and attached to those applicable Final Terms (see the section of this Inward Listings Supplement headed "*Form of Final Terms of a Tranche of SA Notes*").

FORM OF THE SA NOTES

A summary of the form of SA Notes is set out below:

SA Notes issued in uncertificated form

Each Tranche of SA Notes will, subject to all Applicable Laws, be listed on the Interest Rate Market of the JSE.

Each Tranche of SA Notes will be issued in registered uncertificated form and held in the CSD in terms of Chapter IV of the Financial Markets Act (see "*Beneficial Interests in SA Notes held in the CSD*" below). The SA Notes will not be represented by any certificate or written instrument.

Beneficial Interests in SA Notes held in the CSD

While a Tranche of SA Notes is held in its entirety in the CSD, the CSD will be named in the Register as the sole Noteholder of the SA Notes in that Tranche of SA Notes.

The CSD will hold each Tranche of SA Notes subject to the Financial Markets Act and the Applicable Procedures. All amounts to be paid and all rights to be exercised in respect of SA Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such SA Notes.

The CSD maintains central securities accounts only for CSD Participants. As at the Supplement Date, the CSD Participants are Standard Chartered Bank Johannesburg Branch, Societe Generale, Citibank N.A., South Africa Branch, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited and the South African Reserve Bank.

Beneficial Interests which are held by CSD Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such CSD Participants, through the central securities accounts maintained by the CSD for such CSD Participants.

CSD Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are held by clients of CSD Participants will be held indirectly through such CSD Participants, and such CSD Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such CSD Participants for such clients. The clients of CSD Participants may include the holders of Beneficial Interests or their custodians.

The clients of CSD Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the SA Notes held by them in the CSD only through their CSD Participants.

Euroclear Bank S.A/N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") hold securities for their participants and facilitate the clearance and settlement of securities transactions between their participants through electronic book entry changes in their accounts. Euroclear and Clearstream, Luxembourg provide various services to their participants, including the safekeeping, administration, clearance and settlement and lending and borrowing of internationally traded securities. Euroclear and Clearstream, Luxembourg may hold SA Notes through their nominated CSD Participant.

In relation to each person shown in the records of the CSD or the relevant CSD Participant, as the case may be, as the holder of a Beneficial Interest in a particular aggregate Outstanding Nominal Amount of SA Notes, a certificate or other document issued by the CSD or the relevant CSD Participant, as the case may be, as to the aggregate Outstanding Nominal Amount of such SA Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest. The CSD's Nominee will be treated by the Issuer, the SA Paying Agent, the SA Transfer Agent and the relevant CSD Participant as the holder of that aggregate Outstanding Nominal Amount of such SA Notes for all purposes.

Title to Beneficial Interests held by CSD Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants. Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants will pass on transfer thereof by electronic book entry in the securities accounts maintained by such CSD Participants for such clients.

Beneficial Interests may be transferred only in accordance with the Applicable Procedures.

Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

SA Notes represented by Certificates

Subject to the Financial Markets Act, the holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for SA Notes represented by a Certificate in accordance with Condition 6 of the SA Terms and Conditions.

Each holder of SA Notes which are represented by a Certificate will be named in the Register as the registered holder of such SA Notes.

Title to SA Notes which are represented by a Certificate will pass upon registration of transfers in accordance with the provisions of the Agency Agreement.

The Issuer, the SA Paying Agent and the SA Transfer Agent shall regard the Register as the conclusive record of title to SA Notes which are represented by Certificates.

Only the CSD's Nominee (in the case of SA Notes held in the CSD) and Noteholders named in the Register at the close of business on the relevant Record Date (in the case of SA Notes represented by Certificates) will be entitled to payments of interest and/or principal in respect of SA Notes. Payments of interest and/or principal in respect of SA Notes shall be made to the CSD's Nominee (in the case of SA Notes held in the CSD) or the person reflected as the registered Noteholder of SA Notes in the Register at the close of business on the relevant Record Date (in the case of SA Notes represented by Certificates).

Prohibition on the issue of SA Notes in bearer form

No SA Notes may be issued in bearer form and no SA Notes may be embodied in, and represented by, Bearer Certificate/s.

Transferability of SA Notes

The SA Notes will, upon issue, be freely transferrable and fully paid.

FORM OF FINAL TERMS OF A TRANCHE OF SA NOTES

Set out below is the form of Final Terms which will be completed for each Tranche of SA Notes issued under the Programme pursuant to this Inward Listings Supplement.

MACQUARIE BANK LIMITED

(ABN 46 008 583 542)

(incorporated with limited liability in the Commonwealth of Australia)

STRUCTURED NOTE PROGRAMME

Issue of [Aggregate Nominal Amount of Tranche] [Title of SA Notes]

The Issuer has established the Macquarie Bank Limited US\$5,000,000,000 Structured Note Programme ("Programme") pursuant to the Base Prospectus, dated 11 August 2014, as supplemented by the Supplement, dated 9 December 2014, and as further amended and/or supplemented from time to time ("Base Prospectus").

The Inward Listings Supplement, dated 31 March 2015, as amended and/or supplemented from time to time ("Inward Listings Supplement") is a supplement to the Base Prospectus and must be read in conjunction with the Base Prospectus and the documents incorporated by reference into the Base Prospectus.

The Inward Listings Supplement as read with the Base Prospectus is a "Placing Document" for purposes of the JSE Debt Listings Requirements. The Inward Listings Supplement was approved by the JSE on 27 March 2015.

This document constitutes the applicable Final Terms relating to the issue of the Tranche of SA Notes described herein ("SA Notes").

References in these applicable Final Terms to the "Base Conditions" are to the Additional Terms and Conditions which are applicable to this Tranche of SA Notes (set out in the Base Prospectus) as read with the section of the Base Prospectus headed "Terms and Conditions of the Notes".

This Tranche of SA Notes will be issued on and subject to the Base Conditions as read with these applicable Final Terms.

These applicable Final Terms must be read in conjunction with the Inward Listings Supplement. The section of the Inward Listings Supplement headed "South African Terms and Conditions" ("SA Terms and Conditions") is incorporated by reference into and forms part of these applicable Final Terms.

References in these applicable Final Terms to any Condition are to that Condition of the section of the Base Prospectus headed "Terms and Conditions of the Notes". Capitalised terms not defined in these applicable Final Terms shall have the meanings ascribed to them in the SA Terms and Conditions.

If and to the extent that there is any conflict or inconsistency between any of the provisions of these applicable Final Terms (including the SA Terms and Conditions) and any of the provisions of the Base Conditions, the provisions of these applicable Final Terms (including the SA Terms and Conditions) shall prevail.

- | | |
|---|--|
| 1. Issuer | [Macquarie Bank Limited (ABN 46 008 583 542), a corporation constituted with limited liability under the laws of the Commonwealth of Australia / []] [Insert branch as applicable] |
| 2. a) Series Number | [] |
| b) Tranche Number | [] |
| 3. Specified Currency | ZAR |
| 4. Aggregate Nominal Amount | |
| a) Series: | [] |
| b) Tranche: | [] |
| 5. Inward Listings Amount: | |
| a) Inward Listings Amount as at the Issue Date: | ZAR10,000,000,000 |
| b) Aggregate Outstanding Nominal Amount of all of | ZAR[], excluding the aggregate Nominal Amount of |

the SA Notes issued under the Programme pursuant to the Placing Document as at the Issue Date:	this Tranche of SA Notes and any other Tranche/s of SA Notes issued on the Issue Date specified in item (8)(a) below
c) Issuer confirmation as to Inward Listings Amount:	The Inward Listings Supplement will only apply to SA Notes issued under the Programme, pursuant to the Placing Document, in an aggregate Outstanding Nominal Amount which does not exceed ZAR10,000,000,000 ("Inward Listings Amount"). The Issuer confirms that the issue of this Tranche of SA Notes will not cause the Issuer to exceed the Inward Listings Amount.
6. Issue Price	[] per cent. of the Aggregate Nominal Amount
7. a) Specified Denomination:	ZAR1,000,000 (or such other amount as is prescribed from time to time in terms of section 96(2)(a) of the Companies Act, 2008)
b) Calculation Amount:	ZAR[]
8. a) Issue Date [and Interest Commencement Date]:	[]
b) Interest Commencement Date (if different from the Issue Date):	[]
9. Maturity Date:	[]
10. Type of SA Notes	[Fixed Rate Notes] [Floating Rate Notes] [Mixed Rate Notes] [Zero Coupon Notes] [specify other]
11. Security:	Unsecured SA Notes
12. Interest Basis:	[] per cent. Fixed Rate [[JIBAR] +/- [] per cent. Floating Rate] [Zero Coupon]
13. Redemption/Payment Basis:	[Redemption at par] [specify other]
14. Change of Interest Basis or Redemption/ Payment Basis:	[Applicable/Not Applicable] [Specify details of any provision for change of SA Notes into another Interest Basis or Redemption/ Payment Basis]
15. Put/Call Options:	[Investor Put] [Issuer Call] [(further particulars specified below)]
16. Status of the SA Notes:	Senior
17A. Tax gross-up obligation of the Issuer:	[Applicable/Not Applicable]
17B. Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE	
(Insert in respect of SA Notes, if applicable)	
18. Fixed Rate SA Notes:	[Applicable/Not Applicable]

- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- a) Rate(s) of Interest: [] per cent. per annum [payable annually/semiannually/quarterly] in arrear
(If payable other than annually, consider amending Condition 5)
(Not applicable in the case of a flat coupon amount; in which case consider disapplying interest accrual provisions in relation to any Early Redemption Amount.)
- b) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]/[specify other]
(NB: This will need to be amended in the case of long or short coupons)
- c) Fixed Coupon Amount(s): ZAR[] per Calculation Amount
- d) Broken Amount(s): [ZAR[] per Calculation Amount payable on the Interest Payment Date falling on []/Not Applicable]
[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)]
- e) Day Count Fraction: [Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/360
30/360 (ICMA)
30/360
30E/360
30E/360 (ISDA)
Other]
- f) Determination Date(s): [] in each year
[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon
(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)]
(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))
- g) Other terms relating to the method of calculating interest for Fixed Rate SA Notes: [None/Give details]
19. Floating Rate SA Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- a) Specified Period(s)/Specified Interest Payment Dates: []
- b) Business Day Centre(s): Johannesburg
- c) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/specify other]
- d) Calculation Agent (entity responsible for calculating the Rate of Interest and Interest Amount): [Macquarie Bank Limited] [specify other]
- e) Specified Office of the Calculation Agent: [Level 6, 50 Martin Place, Sydney 2000, New South Wales,

	Australia] [specify other]
f) Screen Rate Determination:	[Applicable/Not Applicable] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
– Reference Rate:	[JIBAR (being the average mid-market yield rate per annum for 3-month deposits in Rand which appears on the Relevant Screen Page as the "SFX 3M YIELD" at or about the Relevant Time on the Interest Determination Date, determined by the Calculation Agent] [specify other]
– Interest Determination Date(s):	[The first day of each Interest Period; provided that the first Interest Determination Date shall be [] [specify other]
– Relevant Screen Page:	[Reuters Screen SAFEX MNY MKT page - "SFX 3M YIELD"] [specify other]
– Relevant Time	[11h00 (South African time)] [specify other]
– Rate Multiplier	Not Applicable
g) ISDA Determination:	
– Floating Rate Option:	[]
– Designated Maturity:	[]
– Reset Date:	[]
h) Other Determination:	[Applicable] [Not Applicable] <i>(if the Floating Interest Rate to be calculated otherwise than by reference to paragraph (g) or (h) above, insert basis for determining the Floating Interest Rate)</i>
i) Margin(s):	[+/-] [] per cent. per annum
j) Minimum Rate of Interest:	[] per cent. per annum
k) Maximum Rate of Interest:	[] per cent. per annum
l) Day Count Fraction:	[Actual/Actual (ICMA) 30/360 Actual/Actual (ISDA) Actual/365 (Fixed) Actual/360 30/360 (ICMA) 30/360 30E/360 30E/360 (ISDA) Other]
m) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate SA Notes, if different from those set out in the Terms and Conditions:	[]
20. Zero Coupon SA Notes:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
a) Accrual Yield:	[] per cent. per annum
b) Reference Price:	[]
c) Any other formula/basis of determining amount	[]

- payable:
- d) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 7.5(c) and 7.13 apply/specify other]
(Consider applicable day count fraction if not US\$ denominated)
21. Other SA Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
If the SA Notes are not Floating Rate SA Notes, Fixed Rate SA Notes or Zero Coupon SA Notes, or if the SA Notes are a combination of any of the foregoing, set out the relevant description and any additional terms and conditions applicable to such SA Notes
[]

PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
a) Optional Redemption Date(s): []
b) Optional Redemption Amount(s) of each Note: ZAR[] per Calculation Amount
c) If redeemable in part:
– Minimum Redemption Amount: []
– Maximum Redemption Amount: []
d) Notice period (if other than as set out in the Conditions): Minimum period: [7] days
Maximum period: [15] days
(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, the South African clearing system, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent.)
23. Investor Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
a) Optional Redemption Date(s): []
b) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): ZAR[] per Calculation Amount
c) Notice period (if other than as set out in the Conditions): []
24. Automatic Early Redemption: [Applicable/Not Applicable]
(If not applicable, delete remaining sub-paragraphs of this paragraph)
a) Automatic Early Redemption Event: []
b) Automatic Early Redemption Amount: ZAR[] per Calculation Amount
c) Automatic Early Redemption Date: []
25. Final Redemption Amount of each Note: [ZAR[] per Calculation Amount/specify other/Not Applicable]

26. Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on an event of default or on an illegality: [Market Value less Associated Costs /Other] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE SA NOTES

27. Form of SA Notes: The SA Notes in this Tranche are issued in registered uncertificated form and will be held in the CSD.
28. Payment Day: [Following/Modified Following]
29. Financial Centre(s) or other special provisions relating to Payment Days: Johannesburg
(Note that this item relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest to which item 18(b) above relates.)
30. Talons for future Coupons or Receipts to be attached (and dates on which such Talons mature): Not Applicable
31. Details relating to Partly Paid SA Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the SA Notes and interest due on late payment: [Not Applicable/give details]
32. Details relating to Instalment SA Notes:
a) Instalment Amount(s): [Not Applicable/give details]
b) Instalment Date(s): [Not Applicable/give details]
33. a) Paying Agent: []
b) Specified Office of the Paying Agent: []
34. Redenomination applicable: Redenomination not applicable
35. Other Final Terms: [Not Applicable/give details]
(When adding any other Final Terms consideration should be given as to whether such amendments would be acceptable as Final Terms or whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Inward Listings Supplement.)
[Consider including a term providing for tax certification if required to enable interest to be paid gross by Issuer.]

DISTRIBUTION

36. Method of distribution: [Syndicated/Non-syndicated]
37. a) If syndicated, [names and addresses] of Managers [and underwriting commitments]: [Private Placement] [Method of Distribution set out in the Term Sheet, dated [], prepared by [] and sent to potential investors for purposes of placing the SA Notes in this Tranche] [Dutch Auction] [specify other]
b) Date of Subscription Agreement: []
c) Stabilising Manager(s) (if any): [Not Applicable/give name]
38. If non-syndicated, name [and address] of relevant Dealer: [Not Applicable/give Name [and address]]
39. Debt Sponsor: [The Standard Bank of South Africa Limited, acting through its

40. Exchange Control Approval: Corporate and Investment Banking division] [specify other]
The Exchange Control Approval constitutes the in principle written approval of the Exchange Control Authorities to the Issuer issuing SA Notes which are "inwardly listed" on the Interest Rate Market of the JSE, as contemplated in Exchange Control Directive H.
In terms of the Exchange Control Approval, the issue of each Tranche of SA Notes, under the Programme, pursuant to the Placing Document, requires the prior written approval of the Exchange Control Authorities for purposes of Exchange Control Directive H.
The Issuer has, as required by the Exchange Control Approval, obtained the prior written approval of the Exchange Control Authorities for the issue and listing of this Tranche of SA Notes on the Interest Rate Market of the JSE.
41. Additional selling restrictions: [Not Applicable/give details]
42. Commercial Paper Regulations: [Not Applicable] [See Annexure "A" to these Final Terms] (*note: see the section of the Inward Listings Supplement headed "South African Risk Factors" under "Commercial Paper Regulations"*)
- OTHER INFORMATION**
43. a) Listing and admission to trading This Tranche of SA Notes will be listed on the Interest Rate Market of the JSE
b) International Securities Numbering (ISIN) []
c) Stock Code Number []
44. a) Rating of the Issuer as at the Issue Date and the date on which the rating of the Issuer is to be reviewed [give details]
b) Rating (if any) assigned to this Tranche of SA Notes as at the Issue Date [Not Applicable] [give details]
45. a) Last Day to Register Up until 17h00 (South African time) on [[] and [] [[]], [], [] and []] of each year until the date of redemption ("Redemption Date") being, in each instance, the last date on which the SA Transfer Agent will accept Transfer Forms and record in the Register the transfer of SA Notes in this Tranche represented by Certificates
b) Books Closed Period The Register will be closed during the [] days preceding each Interest Payment Date and the Redemption Date from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding the Interest Payment Date and the Redemption Date, being the period during which the Register is closed for purposes of giving effect to transfers, redemptions or payments in respect of the SA Notes in this Tranche
c) Books Closed Date [[] and [] [[]], [], [] and []] of each year until the Redemption Date
46. a) SA Transfer Agent [The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division] [specify other]
b) Specified Office of the SA Transfer Agent [25 Sauer Street, Johannesburg 2000, South Africa] [specify other]
47. a) SA Paying Agent [The Standard Bank of South Africa Limited, acting through its

Corporate and Investment Banking division] [specify other]

b) Specified Office of the SA Paying Agent

[25 Sauer Street, Rosebank, Johannesburg 2000, South Africa] [specify other]

48. Use of Proceeds:

[The proceeds from the issue of this Tranche of SA Notes will be applied by the Issuer for its general corporate] [specify other] [see paragraph 8 of Annexure "A"]

The Issuer accepts full responsibility for the accuracy of the information contained in the Placing Document, these Final Terms, the annual financial reports of the Issuer and any amendments to such annual financial reports, and each supplement to the Inward Listings Supplement and/or the Base Prospectus published by the Issuer from time to time (except as otherwise stated therein).

The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make the Placing Document or any statement contained in the Placing Document false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Placing Document contains or incorporates by reference (see the section of the Base Prospectus headed "*Documents Incorporated by Reference*" and the section of the Inward Listings Supplement headed "*Documents Incorporated by Reference*") all information required by the JSE Debt Listings Requirements and all other Applicable Laws.

Application is hereby made to list Tranche [] of Series [] of the SA Notes on the Interest Rate Market of the JSE, as from [], under the Macquarie Bank Limited US\$5,000,000,000 Structured Note Programme pursuant to the Placing Document.

For: Macquarie Bank Limited

By: _____

Duly authorised

Date: _____

By: _____

Duly authorised

Date: _____

*ANNEXURE "A" TO THE APPLICABLE FINAL TERMS - COMMERCIAL PAPER REGULATIONS

Disclosure requirements in terms of paragraph 3(5) of the Commercial Paper Regulations

If the Issuer, in relation to the issue and placing of a Tranche of SA Notes ("relevant Tranche of SA Notes"), (i) conducts "*the business of a bank*" as defined in the Banks Act, 1990, of South Africa ("Banks Act") and is therefore obliged to comply with the Commercial Paper Regulations or (ii) does not conduct "*the business of a bank*" as defined in the Banks Act but nevertheless elects to comply with the Commercial Paper Regulations, as the case may be, the Issuer will procure that this Annexure "A" is completed and attached to the applicable Final Terms relating to the relevant Tranche of SA Notes ("applicable Final Terms") (see the section of the Inward Listings Supplement headed "South African Risk Factors" under "Commercial Paper Regulations").

The information required to be disclosed in terms of paragraph 3(5) of the Commercial Paper Regulations is set out in this Annexure "A" (except where such information is disclosed elsewhere in the Placing Document and/or the applicable Final Terms):

1. **Issuer and Ultimate Borrower** (paragraph 3(5)(a) of the Commercial Paper Regulations)

The Issuer of the relevant Tranche of SA Notes is Macquarie Bank Limited (ABN 46 008 583 542), a corporation constituted with limited liability under the laws of the Commonwealth of Australia.

The "*ultimate borrower*" (as defined in the Commercial Paper Regulations) is [the Issuer] [specify other]

2. **Going concern** (paragraph 3(5)(b) of the Commercial Paper Regulations)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments, thereby reflecting the adequacy of the liquidity and solvency of the Issuer.

3. **Auditor** (paragraph 3(5)(c) of the Commercial Paper Regulations)

The auditors of the Issuer as at the Issue Date are [PricewaterhouseCoopers, an independent registered public accounting firm, being an Australian partnership ("PwC Australia"). PwC Australia partners are members or affiliate members of The Institute of Chartered Accountants in Australia] [specify other] [PwC Australia] [specify other] has acted as the auditors of the Issuer's latest audited financial statements.

4. **Total amount of Commercial Paper** (paragraph 3(5)(d) of the Commercial Paper Regulations)

a) [The Issuer has not, prior to the Issue Date, issued any "*commercial paper*" (as defined in the Commercial Paper Regulations).]

[The Issuer has, prior to the Issue Date, issued "*commercial paper*" (as defined in the Commercial Paper Regulations) in an aggregate amount of ZAR[]]

b) [As at Issue Date, to the best of the Issuer's knowledge and belief, the Issuer estimates that it will not issue any "*commercial paper*" (as defined in the Commercial Paper Regulations) during the Issuer's current financial year (excluding the relevant Tranche of SA Notes).]

[As at Issue Date, to the best of the Issuer's knowledge and belief, the Issuer estimates that it will issue "*commercial paper*" (as defined in the Commercial Paper Regulations) in an aggregate amount of ZAR[] during the Issuer's current financial year (excluding the relevant Tranche of SA Notes).]

5. **Other information** (paragraph 3(5)(e) of the Commercial Paper Regulations)

All information that may reasonably be necessary to enable an investor to ascertain the nature of the financial and commercial risk of its investment in the relevant Tranche of SA Notes is contained in the Placing Document and the applicable Final Terms.

6. **Material adverse change** (paragraph 3(5)(f) of the Commercial Paper Regulations)

Save as disclosed in the Placing Document and/or the applicable Final Terms [and as set out below], there has been no material adverse change in the Issuer's financial position since the date of the Issuer's last audited financial statements.

[give details, if applicable]

7. **Listing** (paragraph 3(5)(g) of the Commercial Paper Regulations)

The relevant Tranche of SA Notes will be listed on the Interest Rate Market of the JSE.

8. **Use of proceeds** (paragraph 3(5)(h) of the Commercial Paper Regulations)

[The proceeds of the issue of the relevant Tranche of SA Notes will be used by the Issuer for its general corporate purposes] [specify other].

9. **Security** (paragraph 3(5)(i) of the Commercial Paper Regulations)

The relevant Tranche of SA Notes is unsecured.

10. **Auditors confirmation** (*paragraph 3(5)(j) of the Commercial Paper Regulations*)

The Issuer's auditors as at the Issue Date are [PwC Australia] [specify other] and are accordingly unable to give the confirmation required by paragraph 3(5)(j) of the Commercial Paper Regulations.

[PricewaterhouseCoopers Incorporated (incorporated in South Africa)] [specify other (incorporated in South Africa)] have confirmed in writing that nothing has come to their attention which causes them to believe that the issue of the relevant Tranche of SA Notes under the Programme, pursuant to the Placing Document (as read with the applicable Final Terms) will not comply in all material respects with the provisions of the Commercial Paper Regulations.

11. **Audited financial statements** (*paragraphs 3(5)(j)(i) and (j)(ii) of the Commercial Paper Regulations*)

Where, in relation to the issue and placing of the relevant Tranche of SA Notes in South Africa, the Placing Document and/or the applicable Final Terms is/are distributed and/or made available for inspection in South Africa, a copy of the Issuer's latest audited annual financial statements will at all times separately accompany (either by electronic delivery or by physical delivery) the Placing Document and/or the applicable Final Terms, as required by the Commercial Paper Regulations.

SOUTH AFRICAN TERMS AND CONDITIONS

Prospective investors in SA Notes are referred to the section of the Base Prospectus headed "Terms and Conditions of the Notes" and the applicable Additional Terms and Conditions set out in the Base Prospectus.

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

Each Tranche of SA Notes issued under the Programme pursuant to the Placing Document will be issued on and subject to the Base Conditions as read with the applicable Final Terms.

The SA Terms and Conditions are incorporated by reference into and form part of the applicable Final Terms of a Tranche of SA Notes, and all references to "Final Terms" and "applicable Final Terms" in the Inward Listings Supplement and the SA Terms and Conditions shall be construed accordingly.

The following is the text of the SA Terms and Conditions:

1. DEFINITIONS

Capitalised terms not separately defined in the SA Terms and Conditions or elsewhere in the Inward Listings Supplement shall have the meanings ascribed to them in the Base Prospectus. Subject as aforesaid, unless separately defined in the SA Terms and Conditions or elsewhere in the Inward Listings Supplement or, in relation to a Tranche of SA Notes, unless separately defined in the applicable Final Terms, the following expressions shall have the following meanings:

"Agency Agreement" means the Second Amended and Restated Agency Agreement, dated 19 July 2013, entered into between Macquarie Bank Limited (as Issuer and Alternative Principal Paying Agent, Alternative Registrar and Calculation Agent) and Deutsche Bank AG, Hong Kong Branch (as Principal Paying Agent, Exchange Agent and CMU Lodging Agent), Deutsche Bank Trust Company Americas (as New York Paying Agent, New York Registrar and New York Transfer Agent), Deutsche Bank AG, London Branch (as Paying Agent), Deutsche Bank Luxembourg S.A. and (as Registrar and Transfer Agent) in respect of the Programme, as amended, novated and/or substituted from time to time in accordance with its terms;

"applicable Final Terms" means, in relation to a Tranche of SA Notes, the SA Terms and Conditions as read with the final terms completed and signed by the Issuer in relation to the issue of those SA Notes, based upon the *pro forma* Final Terms set out in the section of the Base Prospective headed "*Form of Final Terms of the Notes*" as read with the section of this Inward Listings Supplement headed "*Final Terms of a Tranche of SA Notes*", it being recorded that the SA Terms and Conditions are incorporated by reference into and form part of the applicable Final Terms;

"Applicable Laws" means, in relation to a Person, all and any (i) statutes and subordinate legislation, (ii) regulations, ordinances and directives, (iii) by-laws, (iv) codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, and (v) other similar provisions, from time to time, compliance with which is mandatory for that Person;

"Applicable Procedures" means the rules and operating procedures for the time being of the CSD, CSD Participants and the JSE (including, without limitation, the JSE Rules and the JSE Debt Listings Requirements);

"Arranger" means the Issuer;

"Banks Act" means the Banks Act, 1990, of South Africa;

"Base Conditions" means, in relation to a Tranche of SA Notes, the Additional Terms and Conditions which are applicable to that Tranche of SA Notes (which Additional Terms and Conditions are set out in the Base Prospectus) as read with the Note Conditions;

"Base Prospectus" means the Base Prospectus, dated 11 August 2014, as supplemented by the Supplement, dated 9 December 2014, and as further amended and/or supplemented from time to time;

"Beneficial Interest" means, in relation to a Tranche of SA Notes, the beneficial interest as co-owner of all of the SA Notes in that Tranche, as contemplated in Chapter IV of the Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of SA Notes in that Tranche, is determined by reference to the proportion that the aggregate Outstanding Nominal Amount of such number of SA Notes bears to the aggregate Outstanding Nominal Amount of all of the SA Notes in that Tranche, as contemplated in Chapter IV of the Financial Markets Act;

"Bearer Certificate" means a certificate which is a negotiable instrument and which represents (and embodies) a Note payable to the bearer thereof, as contemplated in the Bills of Exchange Act;

"Bills of Exchange Act" means the Bills of Exchange Act, 1964, of South Africa;

"Blocked Rand" means, for purposes of the Exchange Control Regulations, funds which may not be remitted out of South Africa or paid into a bank account outside South Africa;

"Business Day" means, in relation to a Tranche of SA Notes, a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994, of South Africa) which is a day on which commercial banks settle ZAR payments in Johannesburg or any Additional Business Centre specified in the applicable Final Terms, save that if the applicable Final Terms so provide, **"Business Day"** shall include a Saturday;

"Calculation Agent" means the Issuer, unless the Issuer elects to appoint another entity as Calculation Agent in respect of a Tranche of SA Notes, in which event that other entity will be specified in the applicable Final Terms;

"Certificate" means the single certificate in definitive registered form without interest coupons representing SA Notes for which a Beneficial Interest has been exchanged in accordance with Condition 6;

"Commercial Paper Regulations" means the commercial paper regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of "*the business of a bank*" in the Banks Act, set out in Government Notice 2172 and published in *Government Gazette* 16167 of 14 December 1994;

"Common Monetary Area" means, for purposes of the Exchange Control Regulations, South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of Swaziland;

"Companies Act" means the Companies Act, 2008, of South Africa;

"Condition" means a numbered term or condition forming part of the SA Terms and Conditions;

"CSD" means Strate Proprietary Limited (incorporated with limited liability in South Africa under registration number 1998/022242/07), licensed as a central securities depository in terms of the Financial Markets Act (or any additional or alternate depository approved by the Issuer); provided that all references to **"CSD"** shall, whenever the context permits in accordance with the rules and operating procedures for the time being of the CSD and CSD Participants, be deemed to include the CSD's Nominee;

"CSD's Nominee" means a wholly-owned subsidiary of the CSD approved by the Registrar of Securities Services in terms of the Securities Services Act (prior to 3 June 2014) or the Financial Markets Act (on and after 3 June 2014), as applicable, or such other entity, if any, as is named by the CSD and notified to the Issuer and/or CSD Participants in accordance with the rules and operating procedures for the time being of the CSD and CSD Participants, as the case may be, and any reference to **"CSD's Nominee"** shall, whenever the context permits, be deemed to include any successor nominee or other entity operating in terms of the Financial Markets Act;

"CSD Participant" means a person accepted by the CSD as a participant in terms of the Securities Services Act (prior to 3 June 2014) or the Financial Markets Act (on and after 3 June 2014), as applicable;

"Debt Sponsor" means The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division (incorporated with limited liability under registration number 1962/000738/06 in South Africa);

"Exchange Control Authorities" means the Financial Surveillance Department of the South African Reserve Bank;

"Exchange Control Approval" means (i) the letter application (reference 6289DD 2014-07-14; 0380500), dated 14 July 2014, to the Exchange Control Authorities by Standard Bank (as the Issuer's "*authorised dealer*" for purposes of the Exchange Control Regulations) requesting the approval of the Exchange Control Authorities for the *"proposed inward listing of the notes on the JSE up to an aggregate outstanding notional amount of ZAR10 billion"*, as read with (ii) the letter (application number 6289), dated 14 July 2014, from the Exchange Control Authorities to Standard Bank (as the Issuer's "*authorised dealer*" for purposes of the Exchange Control Regulations), referring to the letter application described in subparagraph (i), and advising that *"we are, from a Financial Surveillance Department point of view and in principle, agreeable to Macquarie Bank Limited ("MBL") inward listing Notes on the JSE Limited ("JSE")"* and requiring that *"we ... be approached on a case by case basis for each Note to be issued on the JSE providing full details on the type of Note to be listed with a clear indication whether the reference asset is domestic or foreign, the value thereof, the indicative terms as well as the applicable pricing supplement"*;

"Exchange Control Directive H" means Exchange Control Directive H entitled *"Inward Listings by Foreign Entities on South African Exchanges"* (31/2011) issued by the Exchange Control Authorities in terms of the Exchange Control Regulations;

"Exchange Control Regulations" means the Exchange Control Regulations, 1961 promulgated pursuant to the Currency and Exchanges Act, 1933, of South Africa;

"Financial Markets Act" means the Financial Markets Act, 2012, of South Africa;

"Income Tax Act" means the Income Tax Act, 1962, of South Africa;

"Interest Rate Market of the JSE" means the separate platform or sub-market of the JSE designated as the *"Interest Rate Market"* and on which Debt Securities (as defined in the JSE Debt Listings Requirements) may be listed, or such other separate platform or sub-market of the JSE as is selected by the Issuer, subject to all Applicable Laws;

"Inward Listings Amount" means ZAR10,000,000,000;

"Inward Listings Supplement" means this document, dated 31 March 2015, it being recorded that this document, dated 31 March 2015, is a supplement to the Base Prospectus and must be read in conjunction with the Base Prospectus and the documents incorporated by reference into the Base Prospectus;

"Issuer" means Macquarie Bank Limited (ABN 46 008 583 542), a corporation constituted with limited liability under the laws of the Commonwealth of Australia;

"JSE" means the JSE Limited (registration number 2005/022939/06), licensed as an exchange in terms of the Financial Markets Act, or any exchange which operates as a successor exchange to the JSE in terms of the Financial Markets Act;

"JSE Debt Listings Requirements" means the JSE Debt Listings Requirements published by the JSE and set out in Bulletin 1 of 2014, as amended by Board Notice 138 of 2014 published in Government Gazette No. 38224 of 21 November 2014, and as further amended and/or supplemented from time to time;

"JSE Rules" means the exchange rules of the JSE promulgated from time to time pursuant to the Financial Markets Act;

"Nominal Amount" means the nominal amount of each SA Note (being an amount equivalent to the Specified Denomination);

"Note Conditions" means the section of the Base Prospectus headed "*Terms and Conditions of the Notes*";

"Noteholders" and **"holders of SA Notes"** means the holders of SA Notes recorded as the registered holders of such SA Notes in the Register;

"Outstanding Nominal Amount" means, in relation to a Tranche of SA Notes, the Nominal Amount of those SA Notes less (on each occasion on which those SA Notes are partially redeemed in terms of the Base Conditions as read with the applicable Final Terms) that portion of the Nominal Amount of those SA Notes which has been so partially redeemed and, in relation to the Inward Listings Amount at any point in time, the aggregate outstanding Nominal Amount of all of the SA Notes in issue under the Programme pursuant to the Placing Document at that time;

"Programme" means the Macquarie Bank Limited US\$5,000,000,000 Structured Note Programme established by the Issuer pursuant to the Base Prospectus;

"Programme Agreement" means the Second Amended and Restated Programme Agreement, dated 19 July 2013, entered into between Macquarie Bank Limited (as Issuer and Dealer) and Macquarie Capital (USA) Inc (as Dealer) in respect of the Programme, as amended, novated and/or substituted from time to time in accordance with its terms;

"R" or **"Rand"** or **"ZAR"** means the lawful currency of South Africa;

"Record Date" means, in relation to a Tranche of SA Notes, the fifteenth day (whether or not such fifteenth day is a business day) before the due date for payment of interest or principal, as the case may be, under that Tranche of SA Notes;

"Register" means the register of Noteholders of the SA Notes (including the register of Beneficial Interests in the SA Notes) contemplated in Part E of the Companies Act, maintained by the SA Transfer Agent;

"SA Agency Agreement" means, collectively, the written agency agreements entered into on 17 March 2015 between the Issuer and Standard Bank (as SA Paying Agent and SA Transfer Agent) in respect of the SA Notes, as amended, novated and/or substituted from time to time in accordance with their terms;

"SA Notes" means Tranche/s of Notes issued by the Issuer under the Programme pursuant to the Placing Document;

"SA Paying Agent" means, in relation to the SA Notes, Standard Bank or, if the Issuer elects to appoint another entity as SA Paying Agent, as contemplated in the SA Agency Agreement, that other entity, as the case may;

"SA Terms and Conditions" means, in relation to a Tranche of SA Notes, the terms and conditions set out in this section of this Inward Listings Supplement headed "*South African Terms and Conditions*", it being recorded that the SA Terms and Conditions are incorporated by reference into and form part of the applicable Final Terms;

"SA Transfer Agent" means, in relation to the SA Notes, Standard Bank or, if the Issuer elects to appoint another entity as SA Transfer Agent, as contemplated in the SA Agency Agreement, that other entity, as the case may;

"Securities Services Act" means the Securities Services Act, 2004, of South Africa;

"Securities Transfer Tax Act" means the Securities Transfer Tax Act, 2007, of South Africa;

"SENS" means the JSE Stock Exchange News Service;

"South Africa" means the Republic of South Africa;

"Specified Currency" means ZAR;

"Specified Denomination" means, in relation to a Tranche of SA Notes, the amount per SA Note specified as such in the applicable Final Terms; provided that such amount shall not be less than ZAR1,000,000 or such other amount as is prescribed from time to time in terms of section 96(2)(a) of the Companies Act;

"Specified Office" means, in relation to each of the Issuer, the Calculation Agent, the SA Paying Agent and the SA Transfer Agent, the address of the office specified in respect of such entity at the end of this Inward Listings Supplement or such other address as is notified by such entity (or, where applicable, a successor to such entity) to the Noteholders in accordance with the Base Conditions and Condition 7;

"Stabilisation Manager" means, in relation to a Tranche of SA Notes (where applicable), the Issuer or the Dealer who is designated in the applicable Final Terms as the approved stabilisation manager;

"Standard Bank" means The Standard Bank of South Africa Limited (incorporated with limited liability under registration number 1962/000738/06 in South Africa), acting through its Corporate and Investment Banking division;

"Supplement Date" means the date of this Inward Listings Supplement, being 31 March 2015;

"Taxes" means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of South Africa or any political subdivision therein or any authority therein or thereof having power to tax;

"Value-Added Tax Act" means the Value-Added Tax Act, 1991, of South Africa;

"VAT" means value added tax imposed in terms of the Value-Added Tax Act, or any similar tax imposed in place thereof from time to time.

2. ISSUE

- 2.1. The Issuer may at any time and from time to time (without the consent of any Noteholder), subject to the provisions of the Exchange Control Approval and Exchange Control Directive H, issue one or more Tranche/s of SA Notes (denominated in the Specified Currency) under the Programme pursuant to the Placing Document; provided that the aggregate Outstanding Nominal Amount of all of the SA Notes issued under the Programme pursuant to the Placing Document does not exceed the Inward Listings Amount.
- 2.2. Each Tranche of SA Notes will be issued on and subject to the Base Conditions as read with the applicable Final Terms. Noteholders of each Tranche of SA Notes are deemed to have knowledge of, and are entitled to the benefit of, and are subject to, all the provisions of the Base Conditions as read with the applicable Final Terms.
- 2.3. The SA Terms and Conditions are incorporated by reference into and form part of the applicable Final Terms, and all references to "Final Terms" and "applicable Final Terms" in the Inward Listings Supplement and the SA Terms and Conditions shall be construed accordingly.
- 2.4. In relation to a Tranche of SA Notes, if and to the extent that there is any conflict or inconsistency between any of the provisions of the applicable Final Terms (including the SA Terms and Conditions) and any of the provisions of the Base Conditions, the provisions of the applicable Final Terms (including the SA Terms and Conditions) shall prevail.
- 2.5. Where any SA Note in a Tranche of SA Notes is represented by a Certificate, the Base Conditions as read with the applicable Final Terms are incorporated by reference into such Certificate, and the applicable Final Terms will be attached to such Certificate.
- 2.6. Each Tranche of SA Notes will, subject to all Applicable Laws, be listed on the Interest Rate Market of the JSE.

3. FORM OF THE SA NOTES

- 3.1. All SA Notes will be issued in registered uncertificated form in terms of Chapter IV of the Financial Markets Act and will be held in the CSD. SA Notes issued in registered uncertificated form will not be represented by any certificate or written instrument.
- 3.2. All SA Notes held in the CSD will be held subject to the Financial Markets Act and the Applicable Procedures. All amounts to be paid and all rights to be exercised in respect of SA Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such SA Notes.
- 3.3. Subject to the Financial Markets Act, a holder of a Beneficial Interest shall be entitled to exchange such Beneficial Interest for SA Notes represented by a Certificate in accordance with Condition 6.
- 3.4. No SA Notes may be issued in bearer form and no SA Notes may be embodied in, and represented by, Bearer Certificate/s.

4. TITLE

- 4.1. The CSD will be named in the Register as the registered holder of all SA Notes which are held in the CSD.
- 4.2. While a Tranche of SA Notes is held in its entirety in the CSD, the CSD will be named in the Register as the sole Noteholder of that Tranche of SA Notes.
- 4.3. All amounts to be paid and all rights to be exercised in respect of the SA Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such SA Notes.

- 4.4. In relation to each person shown in the records of the CSD or the relevant CSD Participant, as the case may be, as the holder of a Beneficial Interest in a particular aggregate Outstanding Nominal Amount of SA Notes, a certificate or other document issued by the CSD or the relevant CSD Participant, as the case may be, as to the aggregate Outstanding Nominal Amount of such SA Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest. The CSD's Nominee will be treated by the Issuer, the SA Paying Agent, the SA Transfer Agent and the relevant CSD Participant as the holder of that aggregate Outstanding Nominal Amount of such SA Notes for all purposes.
- 4.5. Beneficial Interests which are held by CSD Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such CSD Participants, through the central securities accounts maintained by the CSD for such CSD Participants. Beneficial Interests which are held by clients of CSD Participants will be held indirectly through such CSD Participants, and such CSD Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such CSD Participants for such clients. The clients of CSD Participants may include the holders of Beneficial Interests or their custodians.
- 4.6. The clients of CSD Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the SA Notes held by them in the CSD only through their CSD Participants. Branches or agents of CSD Participants in Namibia may hold SA Notes through such CSD Participants. Euroclear and Clearstream may hold SA Notes through their CSD Participant.
- 4.7. Title to Beneficial Interests held by CSD Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants, in accordance with the Applicable Procedures. Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants will pass on transfer thereof by electronic book entry in the securities accounts maintained by such CSD Participants for such clients, in accordance with the Applicable Procedures.
- 4.8. Subject to the Financial Markets Act, a holder of a Beneficial Interest shall be entitled to exchange such Beneficial Interest for SA Notes represented by a Certificate in accordance with Condition 6.
- 4.9. Each holder of SA Notes which are represented by a Certificate will be named in the Register as the registered holder of such SA Notes.
- 4.10. Title to SA Notes which are represented by a Certificate will pass upon registration of transfers in accordance with the provisions of the Agency Agreement.

5. PAYMENTS

- 5.1. All payments of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any SA Notes shall be made by the Issuer (where the Issuer itself acts as SA Paying Agent) or the SA Paying Agent, on behalf of the Issuer (where the SA Paying Agent is a third party), on the terms and conditions of the SA Agency Agreement and this Condition 5.
- 5.2. All references in this Condition 5 to "SA Paying Agent" shall be construed as references to the Issuer (where the Issuer itself acts as SA Paying Agent) or the SA Paying Agent on behalf of the Issuer (where the Issuer has appointed a third party entity to act as SA Paying Agent), as the case may be.
- 5.3. Only the CSD's Nominee (in the case of SA Notes held in the CSD) and Noteholders named in the Register at the close of business on the relevant Record Date (in the case of SA Notes represented by Certificates) will be entitled to payments of interest and/or principal in respect of SA Notes. Payments of interest and/or principal in respect of SA Notes shall be made to the CSD's Nominee (in the case of SA Notes held in the CSD) or the person reflected as the registered Noteholder of SA Notes in the Register at the close of business on the relevant Record Date (in the case of SA Notes represented by Certificates).
- 5.4. The SA Paying Agent will pay all amounts due and payable in respect of the SA Notes:
 - 5.4.1. in the case of SA Notes which are held in the CSD, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer to the bank account of the CSD's Nominee which in turn will transfer such funds, via the CSD Participants, to the holders of Beneficial Interests in such SA Notes;
 - 5.4.2. in the case of SA Notes which are represented by a Certificate, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer, to the bank account of the person named as the registered Noteholder of such SA Notes in the Register or, in the case of joint registered Noteholders, the bank account of the first one of them named in the Register in respect of such SA Notes.
- 5.5. Neither the SA Paying Agent nor the Issuer shall be responsible for the loss in transmission of any such funds, and payment of any amount into the bank account referred to in Condition 5.4.1 or Condition 5.4.2, as the case may be, in accordance with Condition 5.4, shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Noteholders under the relevant SA Notes, the Base Conditions as read with the Final Terms and the SA Agency Agreement.

- 5.6. Following payment to the CSD's Nominee of amounts (whether in respect of principal, interest or otherwise) due and payable in respect of SA Notes which are held in the CSD pursuant to Condition 5.4.1, the relevant funds will be transferred by the CSD's Nominee, via the CSD Participants, to the holders of Beneficial Interests in such SA Notes.
- 5.7. Each of the persons reflected in the records of the CSD or the relevant CSD Participant, as the case may be, as the holders of Beneficial Interests in SA Notes, will look solely to the CSD or the relevant CSD Participant, as the case may be, for such person's share of each payment so made by the SA Paying Agent to or for the order of the CSD's Nominee, as the registered holder of such SA Notes.
- 5.8. Neither the SA Paying Agent nor the Issuer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests.
- 5.9. Payments of amounts (whether in respect of principal, interest or otherwise) due and payable in respect of Beneficial Interests in SA Notes will be recorded by the CSD's Nominee, distinguishing between interest, principal and any other amount, and such record of payments by the CSD's Nominee, as the registered holder of such SA Notes, will be *prima facie* proof of such payments.
- 5.10. Payments of principal in respect of any SA Note which are represented by a Certificate shall be made to the Noteholder/s of such SA Note/s only if, prior to the due date for redemption of such SA Note, such Certificate shall have been surrendered to the SA Transfer Agent (at its Specified Office).
- 5.11. If the relevant Certificate is not surrendered to the SA Transfer Agent (at its Specified Office) in accordance with Condition 5.10, the amount of principal payable to the Noteholder of the SA Note represented by that Certificate shall be retained by the SA Paying Agent for such Noteholder, at the latter's risk, until that Certificate shall have been surrendered to the SA Transfer Agent (at its Specified Office), and such Noteholder will not be entitled to any interest and/or other payments in respect of any delay in payment occasioned as a result of such failure to surrender such Certificate.

6. EXCHANGE OF BENEFICIAL INTERESTS FOR AN INDIVIDUAL CERTIFICATE

- 6.1. A holder of a Beneficial Interest in SA Notes may, if permitted by (and subject to) the Financial Markets Act, by written notice to the holder's nominated CSD Participant (or, if such holder is a CSD Participant, the CSD), request that such Beneficial Interest be exchanged for SA Notes in definitive registered form represented by a Certificate ("**Exchange Notice**").
- 6.2. The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for a Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given.
- 6.3. The holder's nominated CSD Participant will, within 7 (seven) days of receipt of the Exchange Notice, through the CSD, notify the SA Transfer Agent that it is required to exchange such Beneficial Interest for SA Notes represented by a Certificate.
- 6.4. The SA Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that a Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 day period ("**Exchange Date**"), to the holder's nominated CSD Participant (acting on behalf of the holder of the Beneficial Interest) at the Specified Office of the SA Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Certificate in respect of that joint holding, and delivery to one of those joint holders shall be delivery to all of them.
- 6.5. In order to effect the exchange of a Beneficial Interest in any SA Notes (a) the CSD's Nominee and/or the CSD will, prior to the Exchange Date, surrender (through the CSD) such SA Notes to the SA Transfer Agent at its Specified Office and (b) the SA Transfer Agent will obtain the release of such SA Notes from the CSD in accordance with the Applicable Procedures.
- 6.6. A Certificate shall, in relation to a Beneficial Interest in any number of SA Notes of a particular aggregate Outstanding Nominal Amount standing to the account of the holder thereof, represent that number of SA Notes of that aggregate Outstanding Nominal Amount, and shall otherwise be in such form as may be agreed between the Issuer and the SA Transfer Agent; provided that if such aggregate Outstanding Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

7. NOTICES

- 7.1. Subject to Condition 7.2, all notices to Noteholders of SA Notes represented by Certificates shall be given in the manner set out in the Base Conditions.

- 7.2. For so long as any SA Notes represented by Certificates are listed on the Interest Rate Market of the JSE, there may be substituted for the notice contemplated in Condition 7.1, the publication of the relevant notice on SENS or on any other electronic news service of general distribution.
- 7.3. All notices to holders of Beneficial Interest in SA Notes shall be in writing and shall be delivered by hand or transmitted by e-mail to the CSD's Nominee, the CSD Participants and the JSE, for communication by the CSD's Nominee and the CSD Participants to the holders of Beneficial Interests in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests on the date of delivery (if such notice is delivered by hand) or the date on which such notice is transmitted by e-mail (if such notice is sent by e-mail).
- 7.4. In addition to the applicable notice requirements set out in this Condition 7 above (as read with the Base Conditions), all notices of meetings of Noteholders shall be published on SENS.
- 7.5. All notices to be given by any Noteholder of an SA Note which is represented by a Certificate to the Issuer or the SA Transfer Agent, as the case may be, shall be given in the manner set out in the Base Conditions.
- 7.6. All notices to be given by any holder of a Beneficial Interest to the Issuer or the SA Transfer Agent, as the case may be, shall be in writing and given by such holder through such holder's CSD Participant in accordance with the Applicable Procedures, and in such manner as the Issuer and the relevant CSD Participant may approve for this purpose.

8. AMENDMENT

- 8.1. The Issuer may effect, without the consent of any Noteholder and/or the JSE, any amendment to any of the applicable Final Terms (including any of the SA Terms and Conditions) and/or any of the Base Conditions which are applicable to a Tranche of SA Notes which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of South Africa (including, without limitation, all Applicable Laws and the Applicable Procedures).
- 8.2. Save as is provided in Condition 8.1, no amendment to any of the applicable Final Terms (including any of the SA Terms and Conditions) and/or any of the Base Conditions which are applicable to a Tranche of SA Notes may be effected unless (i) the proposed amendment is first approved by the JSE and, after having obtained the approval of the JSE to the proposed amendment, (ii) the proposed amendment is in writing and signed by or on behalf of the Issuer and (iii):
 - 8.2.1. the proposed amendment is approved by a resolution of the Noteholders of that Tranche of SA Notes holding not less than the greater of 66.67% of the aggregate Outstanding Nominal Amount of those SA Notes or the percentage required to pass an Extraordinary Resolution specified in the Base Conditions and/or the Agency Agreement (provided that the relevant resolution shall be passed within 15 (fifteen) Business Days after the proposed amendment is submitted to those Noteholders in terms of Condition 8.3); or
 - 8.2.2. the proposed amendment is approved in writing by or on behalf of Noteholders of that Tranche of SA Notes holding not less than the greater of 66.67% of the aggregate Outstanding Nominal Amount of those SA Notes or the percentage required to pass a written "round robin" resolution specified in the Base Conditions and/or the Agency Agreement (provided that the relevant written approval shall be given within 15 (fifteen) Business Days after the proposed amendment is submitted to those Noteholders in terms of Condition 8.3).
- 8.3. After having obtained the approval of the JSE to a proposed amendment to any of the applicable Final Terms (including any of the SA Terms and Conditions) and/or any of the Base Conditions which are applicable to a Tranche of SA Notes to be effected in terms of Condition 8.2, the Issuer shall (in the manner set out in Condition 7) notify the Noteholders of that Tranche of SA Notes of such proposed amendment. Such notice shall (i) include the written resolution or the written approval, as the case may be, setting out such proposed amendment, (ii) the restrictions on voting (if any) under the Base Conditions as read with the applicable Final Terms, (iii) the last date on which those Noteholders should return the relevant resolution or the written approval, as the case may be, and (iv) the address to which the relevant resolution or the written approval, as the case may be, should be sent.
- 8.4. The Inward Listings Supplement, updated to reflect an amendment to any of the SA Terms and Conditions effected in terms of this Condition 8, must be submitted to the JSE, and such amendment must be published on SENS, as soon as practicable thereafter.

9. VOTING

The holder of Beneficial Interests in SA Notes votes in accordance with the instructions conveyed by that holder to its CSD Participant, in accordance with the Applicable Procedures.

10. GOVERNING LAW

- 10.1. The Agency Agreement, the Base Prospectus, the Base Conditions and, subject to Condition 10.2, the applicable Final Terms, shall be governed by, and construed in accordance with, English law.
- 10.2. The SA Agency Agreement, the Inward Listings Supplement and the SA Terms and Conditions shall be governed by, and construed in accordance with, the law of South Africa.

USE OF PROCEEDS

The proceeds from the issue of a Tranche of SA Notes will be applied by the Issuer for its general corporate purposes or as otherwise may be described in the applicable Final Terms.

DESCRIPTION OF MACQUARIE BANK LIMITED

Prospective investors in SA Notes are referred to the section of the Base Prospectus headed "Macquarie Bank Limited" for a description of the Issuer and its business.

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

Description of the business of the Issuer

Macquarie Bank Limited (ABN 46 008 583 542) ("Issuer") is a corporation constituted with limited liability under the laws of the Commonwealth of Australia and is authorised to carry on banking business in the Commonwealth of Australia, the United Kingdom, Hong Kong, Singapore and South Korea. The Issuer is a global provider of banking, financial, advisory, investment and funds management services.

The Issuer is headquartered in Sydney, Australia and is an *"authorised deposit-taking institution"* ("ADI") as that term is defined under the Banking Act 1959 of Australia ("Banking Act") regulated by the Australian Prudential Regulation Authority ("APRA"). The Issuer, directly and through its subsidiaries, provides banking, financial, advisory, investment and funds management services to institutional, corporate and retail clients and counterparties around the world.

Macquarie Bank began in 1969 as the merchant bank Hill Samuel Australia Limited, a wholly owned subsidiary of Hill Samuel & Co Limited, London. The Issuer was incorporated in 1983. Authority for the Issuer to conduct banking business in Australia was received from the Australian Federal Treasurer on 28 February 1985. The Issuer's ordinary shares were listed on the Australian Securities Exchange operated by ASX Limited ("ASX") on 29 July 1996 until the corporate restructuring of the Macquarie Group in November 2007. As part of the restructure the Issuer became an indirect subsidiary of Macquarie Group Limited (ABN 94 122 169 279) ("MGL"), a new ASX listed company comprising a "Banking Group" and a "Non-Banking Group". The Issuer carries on the Banking Group activities of MGL. Although the Issuer's ordinary shares are no longer listed on ASX, the Issuer's "Macquarie Income Securities" continue to be listed on ASX and, accordingly, the Issuer remains subject to the disclosure and other requirements of ASX as they apply to ASX Debt Listings.

In Australia, the key regulators that supervise and regulate the Macquarie group's activities are APRA, the Reserve Bank of Australia (RBA), Australian Securities and Investments Commission (ASIC), the Australian Futures Exchange Limited, the Competition and Consumer Commission (ACCC) and the Australian Transaction Reports and Analysis Centre (AUSTRAC).

APRA is the prudential regulator of the Australian financial services industry. APRA establishes and enforces prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by institutions under APRA's supervision are met within a stable, efficient and competitive financial system. The Issuer is an ADI under the Banking Act and, as such, is subject to prudential regulation and supervision by APRA.

The Issuer's registered office is Level 6, 50 Martin Place, Sydney, New South Wales 2000, Australia. The Issuer's principal place of business is Level 6, 50 Martin Place, Sydney, New South Wales 2000, Australia. The telephone number of the Issuer's principal place of business is +612 8232 3333.

The company secretary of the Issuer is Dennis Leong. The address of the company secretary of the Issuer is Level 6, 50 Martin Place, Sydney, New South Wales 2000, Australia. The telephone number of the company secretary of the Issuer is +612 8232 3333.

All information which the Issuer has published or made available to the public in compliance with its obligations under the laws of Australia dealing with the regulation of securities, issuers of securities and securities markets has been released to the Australian Securities Exchange operated by ASX in compliance with the continuous disclosure requirements of the ASX Listing Rules. Announcements made by the Issuer under such rules are available on ASX's internet site www.asx.com.au (the Issuer's ASX code is "MBL").

Corporate Governance

The King Report on Governance for South Africa and the King Report and Code of Governance Principles ("King III Code") applies to entities incorporated and resident in South Africa. The Issuer is incorporated under the laws of the Commonwealth of Australia. Accordingly, the King III Code is not applicable to the Issuer and the Issuer does not comply with the King III Code.

The Issuer has corporate governance and policy frameworks designed to meet the requirements of APRA for ADIs.

Information about the Issuer's corporate governance framework compliance can be found in (i) pages 8 to 31 inclusive of the Issuer's 2014 annual report which is available on the internet site now <http://www.macquarie.com.au/about/investors/reports> and (ii) on the internet site <http://www.macquarie.com.au/about/company/leadership-corporate-governance>.

FINANCIAL INFORMATION

Prospective investors in SA Notes are referred to the section of the Base Prospectus headed "Selected Financial Information" for a summary of the financial information relating to the Issuer.

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

The documents incorporated by reference into the Base Prospectus (see the section of this Inward Listings Supplement headed "*Documents Incorporated by Reference*") include the 2013 annual report and 2014 annual report of the Issuer. The 2013 annual report and 2014 annual report of the Issuer include, respectively, the audited annual financial statements of the Issuer and the Issuer consolidated with its controlled entities for the financial years ended 31 March 2013 and 2014, respectively, and the independent audit report in respect of such financial statements. These annual reports are available on the internet site www.macquarie.com.au.

The documents incorporated by reference into this Inward Listings Supplement (see the section of this Inward Listings Supplement headed "*Documents Incorporated by Reference*") include (i) the 2012 annual report of the Issuer, which includes the audited annual financial statements of the Issuer and the Issuer consolidated with its controlled entities for the financial year ended 31 March 2012, and the independent audit report in respect of such financial statements and (ii) the interim financial report of the Issuer for the half-year ended 30 September 2014. The 2012 annual report of the Issuer and the interim financial report of the Issuer for the half-year ended 30 September 2014 are available on the internet site www.macquarie.com.au.

The Issuer is required by applicable legislation to update the Base Prospectus on an annual basis. The update to the Base Prospective will incorporate the then most recent annual report of the Issuer for the relevant financial year of the Issuer after the Supplement Date. Such annual report will include the audited annual financial statements of the Issuer and the Issuer consolidated with its controlled entities for the relevant financial year, and the independent audit report in respect of such financial statements. Such annual report will (as and when such annual report is approved and becomes available) be available on the internet site www.macquarie.com.au.

SOUTH AFRICAN SETTLEMENT, CLEARING AND TRANSFERS OF SA NOTES

A summary of the South African settlement, clearing and transfer procedures applicable to SA Notes is set out below:

SA Notes which are held in the CSD

Each Tranche of SA Notes will be issued in registered uncertificated form and held in the CSD. A Tranche of SA Notes may be traded by or through members of the JSE from the date specified in the applicable Final Terms, in accordance with the rules and operating procedures for the time being of the JSE. The settlement of trades on the Interest Rate Market of the JSE will take place in accordance with the electronic settlement procedures of the JSE and the CSD. Each issue of a Tranche of SA Notes will adhere to the recognised and standardised electronic clearing and settlement procedures operated within the JSE environment.

Clearing systems

The CSD is the operator of an electronic clearing system and has been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the Interest Rate Market of the JSE. Each Tranche of SA Notes will be issued, cleared and transferred in accordance with the Applicable Procedures through the electronic settlement system of the CSD. Each Tranche of SA Notes will be settled through CSD Participants who will comply with the electronic settlement procedures prescribed by the JSE and the CSD. The SA Notes may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the relevant Dealer/s.

CSD Participants

The CSD maintains central securities accounts only for CSD Participants. As at the Supplement Date, the CSD Participants are the South African Reserve Bank, Standard Chartered Bank Johannesburg Branch, Societe Generale, Citibank N.A., South Africa Branch, FirstRand Bank Limited, Nedbank Limited and The Standard Bank of South Africa Limited. CSD Participants are responsible for the settlement of scrip and payment transfers through the CSD, the Interest Rate Market of the JSE and the South African Reserve Bank.

Euroclear and Clearstream hold securities for their participants and facilitate the clearance and settlement of securities transactions between their participants through electronic book entry changes in their accounts. Euroclear and Clearstream, Luxembourg provide various services to their participants, including the safekeeping, administration, clearance and settlement and lending and borrowing of internationally traded securities. Euroclear and Clearstream, Luxembourg will settle other offshore transfers through their nominated CSD Participant.

Payments

While a Tranche of SA Notes is held in its entirety by the CSD, the CSD will be named in the Register as the sole Noteholder of the SA Notes in that Tranche.

Payments of all amounts in respect of SA Notes which are held in the CSD will be made to the CSD's Nominee which in turn will transfer such funds, via the CSD Participants, to the holders of Beneficial Interests. Each of the persons reflected in the records of the CSD or the relevant CSD Participant, as the case may be, as the holders of Beneficial Interests in SA Notes shall look solely to the CSD or the relevant CSD Participant, as the case may be, for such person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the CSD's Nominee.

Transfer and exchange of Beneficial Interests

Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants will pass on transfer thereof by electronic book entry in the securities accounts maintained by such CSD Participants for such clients. Title to Beneficial Interests held by CSD Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants. Beneficial Interests may be transferred only in accordance with the Applicable Procedures. Subject to the Financial Markets Act, Beneficial Interests may be exchanged for SA Notes represented by Certificates in accordance with Condition 6.

SOUTH AFRICAN SUBSCRIPTION AND SALE

Prospective investors in SA Notes are referred to the section of the Base Prospectus headed "*Subscription and Sale*" for (i) a description of the arrangements which are applicable to the placing of SA Notes and (ii) a summary of certain selling restrictions.

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

This section of the Inward Listings Supplement headed "*South African Subscription and Sale*" is in addition to, and must be read together with, the section of the Base Prospectus headed "*Subscription and Sale*".

Dealer and placing arrangements

Pursuant to the Programme Agreement, the SA Notes may be offered on a continuing basis through the persons that are appointed as Dealers in respect of the Programme. However, the Issuer reserves the right, on its own behalf, to procure subscription for SA Notes directly from potential investors in SA Notes on such terms as the Issuer and subscribers for SA Notes may agree from time to time.

A Tranche of SA Notes may be offered by way of public auction or private placement or any other means permitted by Applicable Law, as determined by the Issuer and the relevant Dealer/s and specified in the applicable Final Terms.

In terms of the mandate agreement entered into between the Issuer and Standard Bank on or about 28 January 2015 ("**Mandate**"), Standard Bank has been appointed by the Issuer as Debt Sponsor for purposes of procuring the approval of the Placing Document by the JSE and on an ongoing basis, subject to Rules 2.5 and 2.6 of the JSE Debt Listings Requirements (as read with the terms and conditions of the Mandate).

Rule 2 of the JSE Debt Listings Requirements sets out certain requirements in relation to the appointment, and termination of appointment, of a Debt Sponsor. Among other things, if the appointment of the Debt Sponsor is terminated by the Issuer for whatever reason, such termination must be approved by the board of directors of the Issuer. Once the termination of the Debt Sponsor has been approved by the board of directors of the Issuer, the Issuer and the Debt Sponsor must submit a report to the JSE stipulating the reasons for the termination, within 48 hours of such termination.

South African selling restrictions

The selling restrictions set out below relate to the placing of SA Notes and are in addition to the selling restrictions set out in the section of the Base Prospectus headed "*Subscription and Sale*".

Each Dealer who is to place a Tranche of SA Notes will represent and agree that, in relation to its placing of that Tranche of SA Notes, it will not solicit any offers for subscription for (or sale of) any of such SA Notes and will not itself sell any of such SA Notes, in South Africa, in contravention of the Companies Act, the Banks Act, the Exchange Control Regulations (including, without limitation, the Exchange Control Approval and Exchange Control Directive H) and any other Applicable Laws and regulations of South Africa in force from time to time.

In particular, neither the Placing Document nor any portion thereof constitute, nor is it intended to constitute, a "*prospectus*" (as contemplated in the Companies Act) and each Dealer who is to place a Tranche of SA Notes will represent and agree that, in relation to the placing of that Tranche of SA Notes, it will not make an "*offer to the public*" (as such expression is defined in the Companies Act) of any of such SA Notes (whether for subscription, purchase or sale). SA Notes will not be offered for subscription or sale to any single addressee for an amount of less than ZAR1,000,000 or such other amount as is prescribed from time to time in terms of section 96(2)(a) of the Companies Act.

SOUTH AFRICAN TAXATION

Prospective investors in SA Notes are referred to the section of the Base Prospectus headed "Taxation" for a general summary of certain Australian tax consequences under the Income Tax Assessment Acts of 1936 and 1997 of Australia.

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

The summary below is intended as a general guide to the relevant Taxation laws of South Africa as at the Supplement Date. The contents of this section headed "South African Taxation" do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of SA Notes. Prospective subscribers for or purchasers of any SA Notes should consult their professional advisers in this regard.

Securities Transfer Tax

The issue, transfer and redemption of SA Notes issued under the Programme pursuant to the Placing Document will not attract securities transfer tax under the Securities Transfer Tax Act. Any future transfer duties and/or taxes that may be introduced in respect of (or be applicable to) the transfer and/or redemption of SA Notes will be for the account of Noteholders.

Income tax - treatment of premium and/or discount as well as interest on the SA Notes

The taxation of "interest" is regulated by section 24J of the Income Tax Act, 1962 ("**Income Tax Act**"). For tax purposes "interest" as defined in section 24J of the Income Tax Act ("**Interest**") has a wide meaning and includes, among other things, not just interest and related finance charges, but also any discount or premium payable or receivable in terms of or in respect of a financial arrangement.

Original issue discount or premium

Any original issue at a discount to the Nominal Amount of the SA Notes will be treated as Interest for tax purposes, and the discount income will be deemed to accrue to the Noteholder on a yield to maturity basis as if such Noteholder were to hold the SA Notes until maturity.

Any original issue premium over the Nominal Amount of the SA Notes will also be treated as Interest for tax purposes and will be taken into account in calculating the return to the Noteholder on a yield to maturity basis as if such Noteholder were to hold the SA Notes until maturity.

Interest on the SA Notes

A "resident" (as defined in section 1 of the Income Tax Act) ("**Resident**") will, subject to any available exemptions, be taxed on its worldwide income. Accordingly, a Resident Noteholder will be liable for income tax, subject to available exemptions, on any income received or accrued in respect of the SA Notes held by that Resident Noteholder in the relevant year of assessment of that Resident Noteholder.

A person who or which is not a Resident ("**Non-Resident**") is taxed in South Africa under the Income Tax Act only on income from a source within or deemed to be sourced within South Africa. Interest received by or accrued to a Non-Resident Noteholder may, subject to the section 10(1)(h) exemption referred to in the following paragraph, be regarded as being from a South African source.

Interest which, during the relevant year of assessment of a Non-Resident Noteholder, is received or accrued in respect of SA Notes which are held by that Non-Resident Noteholder may be regarded as being from a South African source.

However, Interest which, during the relevant year of assessment of a Non-Resident Noteholder, is received or accrued in respect of the SA Notes which are held by that Non-Resident Noteholder should be exempt from income tax under section 10(1)(h) of the Income Tax Act (see, however the Withholding Tax on Interest paid to Non-Residents under "*Withholding Tax*" below). The section 10(1)(h) exemption will not apply to a Non-Resident Noteholder if:

- a) that Non-Resident Noteholder is a natural person who was physically present in South Africa for a period exceeding 183 calendar days in aggregate during the relevant year of assessment;
- b) the debt from which the Interest arises is effectively connected to a permanent establishment of that Non-Resident Noteholder in South Africa.

If a Non-Resident Noteholder does not qualify for the exemption under section 10(1)(h) of the Income Tax Act, (a) that Non-Resident Noteholder should be exempt from the Withholding Tax on Interest paid to Non-Residents (see "*Withholding tax*" below), (b) an exemption from or reduction of tax liability under the Income Tax Act may be available under an applicable convention concluded between the Government of the Republic of South Africa and the relevant other contracting state for the avoidance of double taxation ("**DTA**") and (c) certain entities may, in any event, be exempt from income tax.

Prospective Non-Resident Noteholders must consult their own professional advisers as to whether the Interest income earned on SA Notes to be held by them will be exempt under section 10(1)(h) of the Income Tax Act or under an applicable DTA.

As regards Withholding Tax on Interest paid to Non-Residents, see "*Withholding Tax*" below.

Withholding Tax

In terms of Part IVB of the Income Tax Act, a withholding tax on Interest paid to Non-Residents (at a rate of 15% of the amount of the Interest) ("**Withholding Tax**") was to have come into effect on 1 January 2015. However, the Taxation Laws Amendment Act, No 43 of 2014 (which came into effect on 20 January 2015) has delayed the effective date of imposition of the Withholding Tax to 1 March 2015.

Interest which, during the relevant year of assessment of a Non-Resident Noteholder, is received or accrued in respect of SA Notes which are held by that Non-Resident Noteholder may be regarded as being from a South African source.

To the extent (if at all) that the Withholding Tax provisions of the Income Tax Act are applicable in relation to the SA Notes:

- Subject to any Withholding Tax relief provided for in the Income Tax Act (see below) or an applicable DTA, the Withholding Tax will be imposed in respect of all payments of Interest from a South African source to Non-Residents (other than payments of Interest to a Non-Resident who is not entitled to the section 10(1)(h) exemption referred to under "*Income tax - treatment of premium and/or discount as well as interest on the SA Notes*" above and which Non-Resident is therefore liable for the payment of income tax on such Interest).
- However, payments of Interest under SA Notes held by Non-Resident Noteholders will be exempt from Withholding Tax if (among other exemptions) such SA Notes are listed on a "*recognised exchange*". The JSE is a "*recognised exchange*". SA Notes will be listed on the Interest Rate Market of the JSE. Payments of Interest under SA Notes held by Non-Resident Noteholders will accordingly be exempt from Withholding Tax.

Disposal of the SA Notes

If a Noteholder sells or otherwise disposes of a Note, Taxes (whether income tax or capital gains tax) may be levied on such sale or disposal.

Taxes (whether income tax or capital gains tax) may be levied on the disposal or deemed disposal of any SA Notes held by a Resident Noteholder. In general, income tax will be leviable to the extent that a Noteholder is a trader or has acquired the SA Notes for speculative purposes. In general, capital gains tax will be leviable to the extent that the SA Notes have been acquired by a Noteholder for investment purposes and the disposal is not regarded as part of a profit-making transaction even though the South African Revenue Service has generally taken the view that these type of transactions would generally be on revenue account.

Any discount or premium on acquisition of the SA Notes which has already been treated as Interest for income tax purposes under section 24J of the Income Tax Act (see "*Original issue discount or premium*" above) will not again be taken into account when determining any capital gain or loss.

In general, Taxes (whether income tax or capital gains tax) will not be levied on the disposal or deemed disposal of SA Notes held by a Non-Resident Noteholder unless the profits made on the disposal or deemed disposal of such SA Notes are from a South African source or are attributable to a permanent establishment of that Non-Resident Noteholder in South Africa during the relevant year of assessment of that Non-Resident Noteholder. An applicable DTA may provide such Non-Resident Noteholder with relief from such South African taxes.

Value-added tax

No VAT is payable on the issue or transfer of the SA Notes. The SA Notes constitute "*debt securities*" as defined in the Value-Added Tax Act. The issue, allotment or transfer of ownership of a debt security constitutes a "*financial service*", which is exempt from VAT in terms of section 12(a) of the VAT Act. However, commissions or other charges that are payable on the facilitation of these services are subject to VAT at the standard rate (currently being 14%). If the recipient of the commissions or charges is a Non-Resident, the commissions or charges may be subject to VAT at a zero rate, depending on the circumstances and the identity of the relevant service provider.

SOUTH AFRICAN EXCHANGE CONTROL

The comments below are intended as a general guide to the position under the Exchange Control Regulations in respect of SA Notes.

The contents of this section headed "Exchange Control" do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any SA Notes. Prospective subscribers for or purchasers of any SA Notes should consult their professional advisers in this regard.

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Exchange Control Directive H issued by the Exchange Control Authorities in terms of the Exchange Control Regulations enables non-South African issuers, subject to the provisions of Exchange Control Directive H, to issue certain specified types of securities to investors in South Africa provided, among other things, such securities are "inwardly listed" on the JSE. Exchange Control Directive H provides, among other things, that the issue of such securities by a non-South African issuer requires the prior written approval of the Exchange Control Authorities in terms of the Exchange Control Regulations.

The Exchange Control Approval constitutes the in principle written approval of the Exchange Control Authorities to the Issuer issuing SA Notes which are "inwardly listed" on the Interest Rate Market of the JSE, as contemplated in Exchange Control Directive H. In terms of the Exchange Control Approval, the issue of each Tranche of SA Notes, under the Programme, pursuant to the Placing Document, requires the prior written approval of the Exchange Control Authorities for purposes of Exchange Control Directive H.

No Tranche of SA Notes will be issued, under the Programme, pursuant to the Placing Document, unless the Issuer has obtained the prior written approval of the Exchange Control Authorities to the issue of that Tranche of SA Notes, as specified in the Exchange Control Approval.

The Issuer and the Dealer who is to place a Tranche of SA Notes will comply in all respects with the applicable provisions of Exchange Control Directive H and the Exchange Control Approval in relation to the issue and subscription for that Tranche of SA Notes.

Blocked Rand

Blocked Rand may be used for the subscription for or purchase of SA Notes. Any principal and/or other redemption amount which is payable by the Issuer in respect of SA Notes subscribed for or purchased with Blocked Rand may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into a bank account which is outside South Africa.

Emigrants from the Common Monetary Area

Any Certificates issued to a Noteholder of SA Notes who is an emigrant from the Common Monetary Area ("Emigrant Noteholder") will be restrictively endorsed "emigrant" and must be deposited with the nominated authorised dealer in foreign exchange controlling such Emigrant Noteholder's blocked assets.

Where a Beneficial Interest is held by an Emigrant Noteholder through the CSD, the securities account maintained for such Emigrant Noteholder by the relevant CSD Participant will be designated as an "emigrant" account.

All payments of principal and/or other redemption amount payable to an Emigrant Noteholder will be deposited into such Emigrant Noteholder's Emigrant Blocked Rand account, as maintained by the nominated authorised dealer in foreign exchange controlling such Emigrant Noteholder's blocked assets. Such amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations. Payments of interest due and payable in respect of such SA Notes to such Emigrant Noteholder need not be deposited into such Emigrant Noteholder's Emigrant Blocked Rand account, and such amounts of interest are freely transferable from the Common Monetary Area.

Non-residents of the Common Monetary Area

Any Certificates issued to a Noteholder of SA Notes who is not resident in the Common Monetary Area ("Non-Resident Noteholder") will be restrictively endorsed "non-resident".

Where a Beneficial Interest is held by a Non-Resident Noteholder through the CSD, the securities account maintained for such Non-Resident Noteholder by the relevant CSD Participant will be designated as a "non-resident" account.

It will be incumbent on a Non-Resident Noteholder to instruct its nominated authorised dealer in foreign exchange as to how payments of amounts (whether in respect of principal, interest or otherwise) payable in respect of the SA Notes held by such Non-Resident Noteholder are to be dealt with. Such amounts may, in terms of the Exchange Control Regulations, be remitted abroad only if such SA Notes were acquired with foreign currency introduced into South Africa and provided that the relevant Certificate has been restrictively endorsed "non-resident" or the relevant securities account has been designated as a "non-resident" securities account, as the case may be.

GENERAL INFORMATION

Prospective investors in SA Notes are referred to the section of the Base Prospectus headed "General Information".

The Base Prospectus and the documents incorporated by reference into the Base Prospectus are available on the internet site www.macquarie.com.au.

Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of South Africa as at the Supplement Date have been given for the execution of this Inward Listing Supplement.

All corporate authorities, and all consents, approvals (including, without limitation, the prior written approval of the Exchange Control Authorities), authorisations or other orders of all regulatory authorities, required by the Issuer under the laws of South Africa, will be given or obtained, prior to the Issue Date of a Tranche of SA Notes, for (among other things) the Issuer to issue that Tranche of SA Notes, to execute the applicable Final Terms of that Tranche of SA Notes and to enter into and perform its obligations under the Base Conditions as read with the applicable Final Terms of that Tranche of SA Notes.

Material change

The Issuer confirms that, as at the Supplement Date, no material change in the financial or trading position of the Issuer and the Macquarie Group has occurred since 30 September 2014, being the end of the last financial period for which unaudited interim reports have been published. This statement has not been confirmed or verified or reviewed and reported on by the independent auditors of the Issuer.

For purposes of the paragraph above "**material**" shall have the meaning ascribed to it in the JSE Listings Requirements applicable to the Main Board of the JSE.

The statement above is made pursuant to Rule 4.16(b)(i) of the JSE Debt Listings Requirements.

THE COMMON SEAL OF MACQUARIE BANK
LIMITED WAS HEREUNTO AFFIXED IN
ACCORDANCE WITH THE COMPANY'S
CONSTITUTION

SIGNED at Sydney on this the 31st day of March 2015

For: MACQUARIE BANK LIMITED

By:

Name:

Capacity: executive director, duly authorised



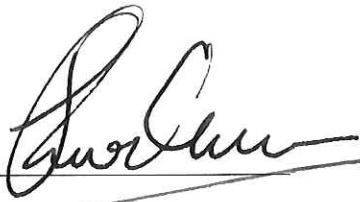
Angus Cameron
Executive Director



By:

Name:

Capacity: executive director, duly authorised



Stuart Green
Executive Director

Issuer

Macquarie Bank Limited

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Debt Sponsor

The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division

(incorporated under registration number 1962/000738/06 in South Africa)

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SA Paying Agent and SA Transfer Agent

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(incorporated under registration number 1962/000738/06 in South Africa)

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Macquarie Bank Limited

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Legal advisers to the Issuer (as to South African law)

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Auditors to the Issuer

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