IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: You must read the following before continuing. The following applies to the base prospectus following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the attached base prospectus (the **base prospectus**). In accessing the base prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF THE ISSUER (AS DEFINED THEREIN) IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR THE SECURITIES LAWS OR "BLUE SKY" LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR THE BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

THE FOLLOWING BASE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are reminded that the base prospectus has been delivered to you on the basis that you are a person into whose possession the base prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the base prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the managers or any affiliate of the managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the managers or such affiliate on behalf of the issuing entity in such jurisdiction.

The base prospectus has been delivered to you on the basis that you are a person into whose possession this base prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. By accessing the base prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the base prospectus by electronic transmission, (c) you are not a U.S. person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia, (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **FPO**) or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO (all such persons together being referred to as **relevant persons**) and (e) if you are a person in Australia you are a (i) sophisticated investor, (ii) a professional investor or (iii) a person in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act 2001 (Cth) of Australia. In the United Kingdom, the base prospectus must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the base prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

The base prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Arranger or the Dealer(s) (each as defined therein) or any person who controls any such person or any director, officer, employee nor agent of any such person (or affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the base prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer, the Arranger or the Dealer(s).

Macquarie Bank Limited

(incorporated with limited liability in the Commonwealth of Australia and having Australian Business Number 46 008 583 542)

acting through its head office in Sydney or a branch outside Australia

as Issuer

AUD15,000,000,000 MBL Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments of interest and principal by

Perpetual Limited

(incorporated with limited liability in the Commonwealth of Australia and having Australian Business Number 86 000 431 827)

as trustee of the MBL Covered Bond Trust

Under the AUD15,000,000,000 MBL Covered Bond Programme (the **Programme**) established by Macquarie Bank Limited (ABN 46 008 583 542), acting through its head office in Sydney or a branch outside Australia (the **Bank**, **Macquarie Bank** or the **Issuer**), the Issuer may from time to time issue bonds (the **Covered Bonds**) denominated in any currency agreed between the Issuer, the Relevant Dealer(s) (as defined below), the Principal Paying Agent (as defined below) and the Bond Trustee (as defined below). The price and amount of the Covered Bonds to be issued under the Programme will be determined by the Issuer and the Relevant Dealer(s) at the time of issue in accordance with the prevailing market conditions. Any Covered Bonds issued under the Programme on or after the date of this Prospectus are issued subject to the provisions described in this Prospectus and in any supplement hereto.

Perpetual Limited (ABN 86 000 431 827) in its capacity as trustee of the MBL Covered Bond Trust (the **Trust** and, in such capacity, the **Covered Bond Guarantor**) has guaranteed payments of interest and principal under the Covered Bonds pursuant to a guarantee which is secured over the Mortgage Loan Rights (as defined in this Prospectus) and the other Assets of the Trust. Recourse against the Covered Bond Guarantor under its guarantee is limited to the Assets of the Trust.

Covered Bonds may be issued in bearer or registered form. The maximum aggregate nominal amount of all Covered Bonds from time to time outstanding under the Programme will not exceed AUD15,000,000,000 (or its equivalent in other currencies calculated by reference to the spot rate for the sale of Australian Dollars against the purchase of such currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on the relevant date of the agreement to issue between the Issuer and the Relevant Dealer(s) (as defined below)), subject to any increase as described in this Prospectus.

The Covered Bonds may be issued on a continuing basis to the Dealers specified under the section "*Programme Overview*" in this Prospectus and any additional Dealer appointed under the Programme from time to time by the Issuer (each, a **Dealer** and together, the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Prospectus to the **Relevant Dealer(s)** will, in the case of an issue of Covered Bonds being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Covered Bonds.

An investment in Covered Bonds issued under the Programme involves certain risks. Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" of this Prospectus. This Prospectus does not describe all of the risks of an investment in the Covered Bonds.

Prospective investors in Covered Bonds should ensure that they understand the nature of the relevant Covered Bonds and the extent of their exposure to risks and that they consider the suitability of the relevant Covered Bonds as an investment in the light of their own circumstances and financial condition. CERTAIN ASPECTS OF COVERED BONDS INVOLVE A DEGREE OF RISK AND INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT. It is the responsibility of prospective investors to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Covered Bonds and are not relying on the advice of the Issuer, the Covered Bond Guarantor, the Sellers (as defined in this Prospectus), the Trust Manager (as defined in this Prospectus), the Security Trustee (as defined in this Prospectus), the Bond Trustee (as defined in this Prospectus), the Agents (as defined in this Prospectus), the Relevant Dealer or any other party to a Programme Document (as defined in this Prospectus).

This Prospectus has been approved as a base prospectus by the Financial Conduct Authority (the **FCA**) pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (the **PRM**). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the rules in the PRM. Such approval should not be considered as an endorsement of the Issuer and the Covered Bond Guarantor or of the quality of

the Covered Bonds that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Covered Bonds.

Application has been made to the FCA for Covered Bonds issued under the Programme during the period of 12 months from the date of this Prospectus to be admitted to the official list of the FCA (the **Official List**) and to the London Stock Exchange plc (the **London Stock Exchange**) for such Covered Bonds to be admitted to trading on the London Stock Exchange's main market.

References in this Prospectus to Covered Bonds being **listed** (and all related references) shall, unless context otherwise requires, mean that such Covered Bonds have been admitted to trading on the London Stock Exchange's main market and have been admitted to the Official List. The London Stock Exchange's main market is a UK regulated market for the purposes of Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA (**UK MiFIR**). Perpetual Limited and P.T. Limited have not made or authorised the application to admit Covered Bonds issued under the Programme to the Official List or to admit the Covered Bonds to trading on the London Stock Exchange's main market.

This Prospectus (as supplement as at the relevant time, if applicable) is valid for 12 months from its date in relation to Covered Bonds which are to be admitted to trading on the London Stock Exchange's main market. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

The requirement to publish a prospectus under the PRM only applies to Covered Bonds which are admitted to trading on a UK regulated market as defined in UK MiFIR other than in circumstances where an exemption is available under the PRM. References in this Prospectus to **Exempt Covered Bonds** are to Covered Bonds for which no prospectus is required to be published under the PRM. The FCA has neither approved nor reviewed information contained within this Prospectus in connection with Exempt Covered Bonds and such information does not form part of this Prospectus for the purposes of the PRM.

Notice of the aggregate nominal amount of Covered Bonds, interest (if any) payable in respect of Covered Bonds, the issue price of Covered Bonds and any other terms and conditions not contained in this Prospectus which are applicable to each Tranche (as defined under the Terms and Conditions of the Covered Bonds) of Covered Bonds will (other than in the case of Exempt Covered Bonds) be set out in the Final Terms for that Tranche (each, the **Final Terms**) which, with respect to Covered Bonds to be listed on the London Stock Exchange, will be delivered to the FCA and the London Stock Exchange on or before the date of issue of such Tranche of Covered Bonds. In the case of Exempt Covered Bonds, notice of the aggregate nominal amount of Covered Bonds, interest (if any) payable in respect of Covered Bonds, the issue price of Covered Bonds and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the **Pricing Supplement**).

The Programme provides that Covered Bonds may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the Relevant Dealer(s). The Issuer may also issue unlisted Covered Bonds and/or Covered Bonds not admitted to trading on any market.

The Covered Bonds and the Covered Bond Guarantee (as defined below) have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**), or under any securities laws or "blue sky" laws of any state or other jurisdiction of the United States and may not be offered or sold, pledged or otherwise transferred unless (a) such Covered Bonds are registered under the Securities Act or (b) such offer or sale is made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Covered Bonds are being offered only (i) in offshore transactions to persons who are not in the United States and are not acting for the account or benefit of "U.S. persons" (as defined in Regulation S under the Securities Act (**Regulation S**)) in reliance upon Regulation S and (ii) to qualified institutional buyers in the United States in reliance upon Rule 144A under the Securities Act (**Rule 144A**), in each case in accordance with any applicable securities laws of any state of the United States. See the section "*Form of the Covered Bonds*" in this Prospectus for a description of the manner in which Covered Bonds will be issued. Covered Bonds are subject to certain restrictions on transfer, see "*Subscription and Sale and Selling Restrictions*". Prospective purchasers are hereby notified that the sellers of the Covered Bonds may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

The Issuer and the Covered Bond Guarantor may agree with any Dealer, the Bond Trustee and the Principal Paying Agent that Covered Bonds may be issued in a form not contemplated by the Conditions of the Covered Bonds in this Prospectus, in which event a supplementary prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Covered Bonds.

The Issuer has debt ratings for its long-term unsubordinated unsecured obligations of A+ by S&P Global Ratings Inc. (**S&P**), Aa2 by Moody's Investors Service Pty Limited (**Moody's**) and A+ by Fitch Australia Pty Ltd (**Fitch**, and together with Moody's only, the **Rating Agencies**). The rating of certain Series or Tranches of Covered Bonds to be issued under the Programme will be specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). Unless otherwise specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), Moody's and Fitch will assign such ratings. Please also refer to "*Ratings of the Covered Bonds*" in the Risk Factors section of this Prospectus. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

Neither of the Rating Agencies nor S&P is established in the European Union or in the United Kingdom (the **UK**) and neither of the Rating Agencies nor S&P is registered in accordance with Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) or under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the **UK CRA Regulation**). In general, and subject to certain exceptions (including the exception outlined below), EU regulated investors are restricted under the CRA Regulation from using a credit rating for regulatory purposes in the European Economic Area (the **EEA**) if such a credit rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation or endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. The rating by S&P has been endorsed by S&P Global Ratings Europe Limited, the rating by Moody's has been endorsed by Moody's Deutschland GmbH and the rating by Fitch has been endorsed by Fitch Ratings Ireland Limited, each in accordance with the CRA Regulation, and have not been withdrawn. S&P Global Ratings Europe Limited, Moody's Deutschland GmbH, and Fitch Ratings Ireland Limited are established in the EU and registered under the CRA Regulation. S&P Global Ratings Europe Limited, Moody's Deutschland GmbH, and Fitch Ratings Ireland Limited are included in the list of credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (at https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the CRA Regulation The rating by S&P has been endorsed by S&P Global Ratings UK Limited, the rating by Moody's has been endorsed by Moody's Investors Service Ltd, and the rating by Fitch has been endorsed by Fitch Ratings Limited, in each case in accordance with the UK CRA Regulation and have not been withdrawn. There can be no assurance that such endorsement of the credit ratings of each of S&P, Moody's and Fitch will continue.

Interest and/or other amounts payable under Floating Rate Covered Bonds may be calculated by reference to certain reference rates as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), which may constitute a benchmark under Article 36 of Regulation (EU) No. 2016/1011,as amended (the **EU Benchmarks Regulation**) or Article 36 of Regulation (EU) No 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**). If any such reference rate does constitute such a benchmark, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 26 of the EU Benchmarks Regulation or the FCA pursuant to Article 36 of the UK Benchmarks Regulation, as applicable. Not every reference rate will fall within the scope of the EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable. Furthermore, transitional provisions in the UK Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administers and benchmarks at the date of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). Investors should also note that the Canadian Dollar Offered Rate (**CDOR**) and the Bankers' Acceptance rate based on CDOR (**BA-CDOR**) were permanently retired on 28 June 2024 and are no longer being calculated or published. As a result, the Issuer is no longer capable of issuing Floating Rate Covered Bonds which reference CDOR and/or BA-CDOR under this Programme.

This Prospectus is issued in replacement of a Prospectus dated 6 June 2025 and accordingly supersedes that earlier Prospectus. This does not affect any Covered Bonds issued under the Programme prior to the date of this Prospectus.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED THAT THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Arranger for the Programme

HSBC

Dealers for the Programme

BNP PARIBAS

Crédit Agricole Corporate and Investment Bank

Deutsche Bank

HSBC

ING

HSBC Continental Europe

Macquarie Bank Europe Designated Activity Company

Macquarie Bank Limited

Macquarie Bank Limited (London Branch)

Natixis

Société Générale Corporate & Investment Banking

The date of this Prospectus is 5 June 2026

IMPORTANT NOTICE

This Prospectus comprises a Base Prospectus for the purposes of PRM 2.3, replaces and supersedes the Prospectus dated 6 June 2025 describing the Programme and has been published in accordance with the made in the PRM. This Prospectus is not a prospectus for the purposes of section 12(a)(2) of the Securities Act or any other provision or order under the Securities Act.

This Prospectus has not been, nor will be, lodged with the Australian Securities and Investments Commission and is not a 'prospectus' or other 'disclosure document' for the purposes of the Australian Corporations Act. See the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus.

The Issuer may offer Covered Bonds acting through its head office in Sydney or one or more of its branches outside Australia. The Issuer may issue such Covered Bonds for certain legal, administrative and regulatory reasons, including (without limitation) to facilitate timely access to funding markets. Investors should be aware that none of the Issuer's branches outside Australia constitute a separate legal entity and the obligations incurred by the Issuer in issuing Covered Bonds through a branch outside Australia are obligations of the Issuer as a whole only, and investors' claims under such Covered Bonds will only be against the Issuer and not a branch. Specifically, and for the avoidance of any doubt, none of the Issuer's branches outside Australia are subsidiaries of the Issuer as they do not constitute a separate legal entity.

The Issuer accepts responsibility for the information in this Prospectus and the Final Terms for each Tranche of Covered Bonds issued under the Programme. The Covered Bond Guarantor (in its capacity as Trustee of the Trust) accepts responsibility for the information contained in the sections entitled "*Service of Process and Enforcement of Civil Liabilities*" (so far as such information relates to the Covered Bond Guarantor), "*Structure Overview – The Programme – Covered Bond Guarantee*", "*Programme Overview – Covered Bond Guarantee*", "*Risk Factors - Risk Factors Relating to the Covered Bond Guarantor, Including the Ability of the Covered Bond Guarantor to Fulfil its Obligations in Relation to the Covered Bond Guarantee*" (so far as such information relates to the Covered Bond Guarantor), Condition 3.3 in the section "*Terms and Conditions of the Covered Bonds*", "*The MBL Covered Bond Trust – Covered Bond Guarantor*", "*Overview of the Principal Documents – The Covered Bond Guarantee*", "*Credit Structure – Covered Bond Guarantee*", the Covered Bond Guarantee as referenced in (iii) of "*General Information – Documents Available*", "*General Information – Significant or Material Change*" and "*General Information – Litigation*" in this Prospectus and paragraph 2 in the Final Terms for each Tranche of Covered Bonds issued under the Programme. To the best of the knowledge of each of the Issuer and the Covered Bond Guarantor (and, in the case of the Covered Bond Guarantor, only in relation to the information for which it is responsible), the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in this Prospectus by reference (see the section "*Documents Incorporated by Reference*" below). This Prospectus will, except as specified in this Prospectus, be read and construed on the basis that such documents are so incorporated and form part of this Prospectus. Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*" below), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the FCA.

The information contained in this Prospectus was obtained from the Issuer (and other sources identified in this Prospectus), but no assurance can be given by the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager, any Swap Provider or the Covered Bond Guarantor (other than the information for which it accepts responsibility as set out above) as to the accuracy or completeness of this information. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager, any Swap Provider or the Covered Bond Guarantor (other than the information for which it accepts responsibility as set out above) as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the Programme. Neither the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager, any Swap Provider nor the Covered Bond Guarantor (other than the information for which it accepts

responsibility as set out above) accepts any liability in relation to the information contained or incorporated by reference into this Prospectus or any other information provided by the Issuer in connection with the Programme.

No person has been authorised by the Issuer, the Covered Bond Guarantor, the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager or any Swap Provider to give any information or to make any representation not contained in this Prospectus or any other information supplied in connection with the Programme or the Covered Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Covered Bond Guarantor, the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager or any Swap Provider.

None of the Issuer, the Covered Bond Guarantor, the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager or any Swap Provider act as the adviser of or owe any fiduciary or other duties to any recipient of this Prospectus in connection with the Covered Bonds and/or any related transaction (including, without limitation, in respect of the preparation and due execution of the transaction documents and the power, capacity or authorisation of any other party to enter into and execute the transaction documents). Neither this Prospectus nor any other information supplied in connection with the Programme or any Covered Bonds (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Covered Bond Guarantor, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager or any Swap Provider that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Covered Bonds should purchase any Covered Bonds. Each investor contemplating purchasing any Covered Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Covered Bond Guarantor and/or any other relevant party to the Programme. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Covered Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Covered Bond Guarantor, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager or any Swap Provider to any person to subscribe for or to purchase any Covered Bonds.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Covered Bonds will in any circumstances imply (i) that the information contained in this Prospectus concerning the Issuer and/or the Covered Bond Guarantor is correct at any time subsequent to the date of this Prospectus, (ii) that the information contained in any document incorporated by reference into this Prospectus is correct at any time subsequent to the date of such document or (iii) that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger, the Dealers, the Lead Manager (if applicable), the Agents, the Bond Trustee, the Trust Manager, the Sellers, Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager, any Swap Provider and the Covered Bond Guarantor (in respect of the Issuer) expressly do not undertake to review the financial condition or affairs of the Issuer or the Covered Bond Guarantor or any other relevant party to the Programme during the life of the Programme or to advise any investor in the Covered Bonds of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Prospectus when deciding whether or not to purchase any Covered Bonds.

The Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act. The Covered Bonds in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations and the Securities Act (see the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus). Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations of the U.S. Treasury promulgated thereunder.

As set forth in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), the Covered Bonds are being offered and sold (i) in reliance on Rule 144A under the Securities Act (**Rule 144A**), to "qualified institutional buyers" (as defined in Rule 144A) (**QIBs**) and/or (ii) in accordance with Regulation S under the Securities Act (**Regulation S**), to persons who are not "U.S. persons" (as defined in Regulation S) in offshore transactions. Prospective purchasers are hereby notified that the sellers of the Covered Bonds may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Covered Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Covered Bonds may be restricted by law in certain jurisdictions. The Issuer, the Covered Bond Guarantor, the Arranger, the Lead Manager (if applicable), the Dealers, the Bond Trustee, the Agents, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager and any Swap Provider do not represent that this Prospectus may be lawfully distributed, or that any Covered Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Covered Bond Guarantor, the Arranger, the Lead Manager (if applicable), the Dealers, the Bond Trustee, the Agents, the Trust Manager, the Sellers, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Security Trustee, the Account Bank, the Cover Pool Monitor, the Origination Manager and any Swap Provider which would permit a public offering of any Covered Bonds outside the EEA or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Covered Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Covered Bonds may come must inform themselves about, and observe any such restrictions on the distribution of this Prospectus and the offering and sale of Covered Bonds. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Covered Bonds in Australia, New Zealand, the United States, the European Economic Area, the UK, Hong Kong, Singapore, Taiwan and Japan (see the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus).

Credit ratings in respect of the Covered Bonds or the Issuer are for distribution only to persons who are not retail clients and are sophisticated investors, professional investors or other investors in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act and, in all cases, in such circumstances as may be permitted by acceptable law in any jurisdiction in which an investor may be located. Anyone who is not such a person is not entitled to receive this Prospectus and anyone who receives this Prospectus must not distribute it to any person who is not entitled to receive it.

All references to **U.S. dollars, USD** and **U.S.$** are to the currency of the United States of America, to **A$**, **AUD** and **Australian Dollars** are to the lawful currency of Australia, to **NZD, NZ$** or **New Zealand Dollars** are to the lawful currency of New Zealand, to **Sterling, GBP** and **£** are to the lawful currency of the UK and to **euro, EUR** and **€** are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

In connection with the issue of any Covered Bonds (other than A$ Registered Covered Bonds), the Dealer(s) (if any) named as the Stabilising Manager(s) (or person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), may over-allot Covered Bonds (provided that, in the case of any Covered Bonds to be admitted to trading on the London Stock Exchange or any regulated market (within the meaning of the Markets in Financial Instruments Directive (Directive 2004/39/EC)) in the EEA, the aggregate principal amount of Covered Bonds allotted does not exceed 105 per cent. of the aggregate principal amount of the relevant Series of Covered Bonds) or effect transactions with a view to supporting the market price of the Covered Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Covered Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Covered Bonds and 60 days after the date of the allotment of the relevant Covered Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules. Stabilisation activities may only be carried on outside Australia and on a financial market operated outside Australia.

In making an investment decision, investors must rely on their own examination of the Issuer and the Covered Bond Guarantor and the terms of the Covered Bonds being offered, including the merits and risks involved. The Covered Bonds have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Prospectus. Any representation to the contrary is a criminal offence.

None of the Issuer, the Arranger, the Lead Manager (if applicable), the Dealers, the Covered Bond Guarantor, the Agents, the Security Trustee, the Trust Manager, the Bond Trustee or any other party to the Programme Documents makes any representation to any investor in the Covered Bonds regarding the legality of its investment under any applicable laws. Any investor in the Covered Bonds should be able to bear the economic risk of an investment in the Covered Bonds for an indefinite period of time.

The Covered Bonds may not be a suitable investment for all investors. Each potential investor in the Covered Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: (a) have sufficient knowledge and experience to make a meaningful evaluation of the Covered Bonds, the merits and risks of investing in the Covered Bonds and the information contained or incorporated by reference into this Prospectus or any applicable supplement; (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Covered Bonds and the impact the Covered Bonds will have on its overall investment portfolio; (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Covered Bonds, including Covered Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency; (d) understand thoroughly the terms of the Covered Bonds; and (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Covered Bonds are legal investments for it, (b) Covered Bonds can be used as collateral for various types of borrowing, (c) Covered Bonds can be used as repo-eligible securities and (d) other restrictions apply to its purchase or pledge of any Covered Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules. No predictions can be made as to the precise effects of such matters on any investor and none of the Issuer, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee, the Arranger, the Lead Manager (if applicable) or the Dealers makes any representation to any prospective investor or purchaser of the Covered Bonds regarding the treatment of their investment as at the date of this Prospectus or at any time in the future.

The Covered Bonds will not represent an obligation or be the responsibility of the Arranger, the Lead Manager (if applicable), the Dealers, the Bond Trustee, the Agents, the Security Trustee, any member of the MBL Group (other than the Bank in its capacity as Issuer under the Programme Documents) or any other party to the Programme, their officers, members, directors, employees, security holders or incorporators, other than the Issuer and, under the Covered Bond Guarantee, the Covered Bond Guarantor. The Issuer will be liable solely in its corporate capacity for its obligations in respect of the Covered Bonds. The Covered Bond Guarantor will be liable solely in its capacity as trustee of the Trust for its obligations in respect of the Covered Bond Guarantee. In each case, such obligations will not be the obligations of their respective officers, members, directors, employees, security holders or incorporators.

Covered Bonds are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Covered Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Covered Bonds will perform under changing conditions, the resulting effects on the value of the Covered Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

Subject as provided in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), the only persons authorised to use this Prospectus (and, therefore, acting in association with the Issuer) in connection with an offer of Covered Bonds are the persons named in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), as the Relevant Dealer(s).

Copies of the Final Terms for each Tranche of Covered Bonds issued subject to the provisions described in this Prospectus and any supplement hereto, will be available from the office of the Issuer set out in the section "*Directory*" at the end of this Prospectus and the specified office of each of the Principal Paying Agent and the EU Paying Agent (as defined below) set out in the section "*Directory*" at the end of this Prospectus.

This Prospectus and the documents incorporated in this Prospectus by reference (see the section "*Documents Incorporated by Reference*" in this Prospectus) are available, without charge, on the internet site https://www.macquarie.com/au/en/investors/debt-investors/secured-funding.html. The Issuer will also provide, without charge, upon the written request of any person, a copy of this Prospectus, the Final Terms for each Tranche of Covered Bonds issued subject to the provisions described in this Prospectus and any supplement hereto and any or all of the documents which, or portions of which, are incorporated in this Prospectus by reference. Copies of the Final Terms will also be available from the specified office of each of the Principal Paying Agent and the EU Paying Agent (each as defined below) set out in the section "*Directory*" at the end of this Prospectus. Written requests for such documents should be directed to the Issuer at its office set out in the section "*Directory*" at the end of this Prospectus.

U.S. INFORMATION

The Covered Bonds have not been approved or disapproved by the United States Securities and Exchange Commission or any other state securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved or disapproved this Prospectus or confirmed the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence.

This Prospectus may be distributed on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of the Covered Bonds being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Covered Bonds in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations promulgated thereunder.

Registered Covered Bonds may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Registered Covered Bonds is hereby notified that the offer and sale of any Registered Covered Bonds to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act.

Each purchaser or holder of Covered Bonds represented by a Rule 144A Global Covered Bond (as defined in the section "*Form of the Covered Bonds – Registered Covered Bonds*" in this Prospectus) or any Covered Bonds issued in registered form in exchange or substitution therefore (together **Rule 144A Covered Bonds**) will be deemed, by its acceptance or purchase of any such Rule 144A Covered Bonds, to have made certain representations and agreements intended to restrict the resale or other transfer of such Covered Bonds as set out in section "*Subscription and Sale and Selling Restrictions*" in this Prospectus. Unless otherwise stated, terms used in this paragraph have the meanings given to them in the section "*Form of the Covered Bonds*" in this Prospectus.

Offers and sales of the Covered Bonds in the United States will be made by those Dealer(s) or their affiliates that are registered broker-dealers under the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**), or in accordance with Rule 15a-6 thereunder.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Covered Bonds that are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, each of the Issuer and/or the Covered Bond Guarantor, as applicable, has undertaken in the Bond Trust Deed to furnish, upon the request of a holder of such Covered Bonds or any beneficial interest therein, to such holder or to a prospective purchaser designated by them, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer and/or the Covered Bond Guarantor, as applicable, is neither subject to reporting under Section 13 or Section 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

By requesting copies of any of the documents referred to herein, each potential purchaser of Covered Bonds agrees to keep confidential the various documents and all written information clearly labelled "Confidential" which from time to time have been or will be disclosed to it concerning the Covered Bond Guarantor or the Issuer or any of their affiliates, and agrees not to disclose any portion of the same to any person except in connection with the proposed resale of the Covered Bonds or as required by law.

Notwithstanding anything in this Prospectus to the contrary, each investor (and each employee, representative or other agent of each investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the offering and all materials of any kind (including opinions or other tax analyses) that are provided to the investor relating to such tax treatment and tax structure (as such terms are defined in United States Treasury Regulations Section 1.6011-4). This authorisation of tax disclosure is retroactively effective to the commencement of discussions between the Issuer and the Dealers and their respective representatives and a prospective investor regarding the transactions contemplated by this Prospectus.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a public limited company incorporated in Australia and the Covered Bond Guarantor is a trustee of a trust established in New South Wales. All of the Issuer's directors reside outside the United States and a substantial portion of the assets of the Issuer and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside Australia upon the Issuer, the Covered Bond Guarantor or any such persons, or to enforce judgments against them obtained in courts outside Australia predicated upon civil liabilities of the Issuer, the Covered Bond Guarantor or such directors and officers, including any judgment predicated upon United States federal securities laws. There is a doubt as to the enforceability in Australia in original actions or in actions for the enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

FORWARD-LOOKING STATEMENTS

This Prospectus contains various forward-looking statements regarding events and trends that are subject to risks and uncertainties that could cause the actual results and financial position of the Bank and its subsidiaries (collectively, the **MBL Group**) to differ materially from the information presented in this Prospectus. When used in this Prospectus, the words "estimate", "project", "intend", "anticipate", "believe", "expect", "plan", "aim", "seek", "may", "will", "should" and similar expressions as they relate to the MBL Group and its management, are intended to identify such forward-looking statements.

Projections are necessarily speculative in nature and some or all of the assumptions underlying the projections may not materialise or may vary significantly from actual results. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) changes in political, social, credit, liquidity, investor confidence and economic conditions in Australia or elsewhere; global credit and equity market conditions; the impact of natural disasters; demographic changes; technological changes; changes in competitive conditions in Australia, Asia, the United States or the United Kingdom; changes in the regulatory structure of the banking, life insurance and funds management industries in Australia, the United Kingdom or Asia; changes in global credit market conditions including funding costs, credit ratings and access; regulatory proposals for reform of the banking, life insurance and funds management industries in Australia, and various other factors beyond the MBL Group's control. Given these risks, uncertainties and other factors, potential investors are cautioned not to place undue reliance on such forward-looking statements. Details on significant risk factors applicable to the Issuer and the Covered Bond Guarantor are detailed under the section "*Risk Factors*" in this Prospectus.

Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Covered Bonds are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer and/or the Covered Bond Guarantor. Neither the Arranger nor the Dealers have attempted to verify any such statements, nor do they make any representations, express or implied, with respect to such statements.

None of the Arranger, the Dealers, the Lead Manager (if applicable), the Issuer, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee, the Agents or any other party to a Programme Document has any obligation to update or otherwise revise any projections, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Prospectus or to reflect the occurrence of unanticipated events, even if the underlying assumptions do not come to fruition.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the **Insurance Distribution Direction**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) No 2017/1129 (as amended, the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently disclosure document required by the FCA Product Disclosure Sourcebook (**DISC**) for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in respect of any Covered Bonds may include a legend entitled "MiFID II Product Governance" which will outline the outcome of the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds but otherwise none of the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The applicable Final Terms in respect of any Covered Bonds (or in the case of Exempt Covered Bonds, the applicable Pricing Supplement) may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **UK distributor**) should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

SECTION 309B NOTIFICATION

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore as modified or amended from time to time (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), unless otherwise stated in the applicable Final Terms or the applicable Pricing Supplement in respect of any Covered Bonds, the Issuer has determined that all Covered Bonds issued or to be issued under the Programme are classified as "capital markets products other than prescribed capital markets

products" (as defined in the CMP Regulations 2018) and are Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NO ACQUISITIONS BY OFFSHORE ASSOCIATES OF THE ISSUER

Under current Australian law, interest and other amounts paid on the Covered Bonds by the Bank will not be subject to Australian interest withholding tax if the Covered Bonds are issued in accordance with certain prescribed conditions set out in section 128F of the Income Tax Assessment Act 1936 (Cth) of Australia. One of these conditions is that the Bank must not know, or have reasonable grounds to suspect, that a Covered Bond, or an interest in a Covered Bond, was being, or would later be, acquired directly or indirectly by an Offshore Associate of the Bank, other than in the capacity of a dealer, manager, or underwriter in relation to the placement of the relevant Covered Bond, or a clearing house, custodian, funds manager or responsible entity of a registered scheme. Accordingly, the Covered Bonds must not be acquired by an Offshore Associate of the Bank (other than in these specified capacities). For these purposes, an Offshore Associate means an "associate" (as defined in section 128F(9) of the Income Tax Assessment Act 1936 (Cth) of Australia) who is either (i) a non-resident of Australia that does not acquire a Covered Bond, or an interest in a Covered Bond, in carrying on a business in Australia at or through a permanent establishment of the associate in Australia, or (ii) a resident of Australia that acquires a Covered Bond, or an interest in a Covered Bond, in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country. "Associate" is defined broadly and may include, but is not limited to, any entity that is under common control with the Bank. Any investor who believes that it may be affiliated with or related to any of the above-mentioned entities or who otherwise believes it may be an Offshore Associate of the Bank, should make appropriate enquiries before investing in any Covered Bond. For more details, please refer to "Tax Considerations – Australian Taxation" on pages 299 to 304 of this Prospectus.

GLOSSARY

Unless otherwise indicated, capitalised terms used in this Prospectus have the meaning set out in this Prospectus. A glossary of defined terms appears at the back of this Prospectus in the section entitled "*Glossary*". In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

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PRINCIPAL CHARACTERISTICS OF THE MBL COVERED BOND PROGRAMME

The following synopsis does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus.

Issuer:	Macquarie Bank Limited ABN 46 008 583 542, acting through its head office in Sydney or a branch outside Australia.
Covered Bond Guarantor:	Perpetual Limited ABN 86 000 431 827 in its capacity as trustee of the Trust.
Nature of eligible property:	Mortgage Loan Rights, Substitution Assets (not exceeding the prescribed limit) and Authorised Investments.
Location of eligible property:	Australia.
Asset Coverage Test:	Yes, see the sections "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" and "*Credit Structure – Asset Coverage Test*" in this Prospectus for further information.
Amortisation Test:	Yes, see the sections "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*" and "*Credit Structure – Amortisation Test*" in this Prospectus for further information.
Pre-Maturity Test:	Yes, see the section "*Credit Structure – Pre-Maturity Test*" in this Prospectus.
Reserve Fund:	A Reserve Fund to be funded from the Available Income Amounts or the proceeds of a Term Advance or Reserve Fund Demand Loan Advance will be established and maintained for so long as the Issuer's credit ratings or deposit ratings, as applicable, are below the Moody's Specified Rating and/or the Fitch Specified Rating.
Maximum Asset Percentage:	95 per cent.
Extendable Maturities:	Available.
Hard Bullet Maturities:	Available.
Cover Pool Monitor:	PricewaterhouseCoopers ABN 52 780 433 757.
Asset Segregation:	Yes.
Terms:	As set out in the applicable Final Terms for the relevant Series or Tranche of Covered Bonds (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Clearing Systems:	Covered Bonds (other than A$ Registered Covered Bonds) may be traded on the settlement system operated by Euroclear, the settlement system operated by Clearstream, DTC and/or any other clearing system outside Australia specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). The Issuer announces that: (a) each Tranche of Bearer Covered Bonds will be initially issued in the form of a temporary global covered bond without interest coupons attached (a **Temporary Bearer Global Covered Bond**) which will be issued to and lodged on or prior to the issue date of the relevant Tranche to a common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg; (b) in connection with the issue, Euroclear and Clearstream, Luxembourg will confer rights in relation to such Bearer Covered Bonds and will record the existence of those rights

and (c) as a result of the issue of such Bearer Covered Bonds in this manner, these rights will be able to be created.

The Issuer may apply to Austraclear Ltd ABN 94 002 060 773 (**Austraclear**) for approval for any A$ Registered Covered Bonds to be traded on the settlement system operated by Austraclear (**Austraclear System**). Such approval of the A$ Registered Covered Bonds by Austraclear is not a recommendation or endorsement by Austraclear of the A$ Registered Covered Bonds.

Listing:

Application will be made by the Issuer to the FCA for Covered Bonds issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Covered Bonds to be admitted to trading on the London Stock Exchange's main market during the period of 12 months from the date of this Prospectus.

Neither Perpetual Limited (in its personal capacity or as Covered Bond Guarantor) nor P.T. Limited (in its personal capacity or as Security Trustee) have made or authorised the application to admit Covered Bonds issued under the Programme to the Official List or to admit the Covered Bonds to trading on the main market of the London Stock Exchange.

Exempt Covered Bonds may be unlisted or may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or regulated or unregulated markets, as may be agreed between the Issuer and the Relevant Dealer(s) or Lead Manager in relation to each issue. The applicable Pricing Supplement, in the case of Exempt Covered Bonds, will state whether or not the relevant Exempt Covered Bonds are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets. Any A$ Registered Covered Bonds issued under the Programme may be unlisted.

Option to issue Namensschuldverschreibungen:

Subject to the consent of the Bond Trustee (which must be given if certain conditions are met), the Issuer may amend the Programme to allow for the issue of registered bonds in the form of German law governed Namensschuldverschreibungen (**N Covered Bonds**). N Covered Bonds will not be listed on any stock exchange and the certificate evidencing the N Covered Bonds will be kept in the custody of the custodian of the N Covered Bond. N Covered Bonds will rank *pari passu* with all other Covered Bonds and, upon entry of the N Covered Bondholder into an N Covered Bond agreement which will be set out in a schedule to the Bond Trust Deed, all payments of principal and interest payable under the N Covered Bonds will be guaranteed by the Covered Bond Guarantor pursuant to the terms of the Covered Bond Guarantee.

DOCUMENTS INCORPORATED BY REFERENCE

The documents described below, each of which has been previously published and filed with the Financial Conduct Authority and which are available for inspection at https://www.fca.org.uk/markets/primary-markets/regulatory-disclosures/national-storage-mechanism, shall be incorporated in and form part of this Prospectus, save that any statement contained in any document, or part of a document, which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Any document or other information incorporated by reference into any of the documents described below does not form part of this Prospectus.

Macquarie Bank Audited Annual Financial Statements and Macquarie Bank and its Subsidiaries Audited Consolidated Annual Financial Statements and Independent Auditor's Reports

The audited annual financial statements of Macquarie Bank and the consolidated annual financial statements of the Bank and its subsidiaries (together, the **Financial Statements**) as at and for each of the financial years ended 31 March 2025 and 31 March 2026, and the Independent Auditor's Reports in respect of such Financial Statements, which are set out in, and form part of, the 2025 Annual Report (https://www.macquarie.com/assets/macq/investor/reports/2025/macquarie-bank-fy25-annual-report.pdf) of the Bank (the **2025 Annual Report**) and the 2026 Annual Report (https://www.macquarie.com/assets/macq/investor/reports/2026/macquarie-bank-fy26-annual-report.pdf) of the Bank (the **2026 Annual Report**), shall be deemed to be incorporated in, and to form part of, this Prospectus.

The Financial Statements as at and for each of the financial years ended 31 March 2025 and 31 March 2026 comprise the Income Statements, Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity, Statements of Cash Flows, Notes to the Financial Statements, Consolidated Entity Disclosure Statement and the Directors' Declaration as set out in the 2025 Annual Report and 2026 Annual Report of the Bank. The Financial Statements and the Independent Auditor's Reports can be located in the 2026 Annual Report (and in the case of the financial year ended 31 March 2025, also in the 2025 Annual Report) on the following pages:

	2026 Annual Report	**2025 Annual Report**
Income statements	59	69
Statements of comprehensive income	60	70
Statements of financial position	61	71
Statements of changes in equity	62	72
Statements of cash flows	63	73
Notes to the financial statements	64-193	74-202
Consolidated Entity Disclosure Statement	194-196	203-206
Directors' declaration	197	207
Independent auditor's report	198-202	208-212

See the section "*Financial Statements of Macquarie Bank Limited*" in this Prospectus for further information on the Financial Statements.

Trust Accounts

The audited financial statements of the Trust for the financial years ended 31 March 2025 (https://www.macquarie.com/assets/macq/investor/debt-investors/secured-funding/mbl-covered-bond-trust-annual-report-31-march-2025.pdf) and 31 March 2024 (https://www.macquarie.com/assets/macq/investor/debt-investors/secured-funding/mbl-covered-bond-trust-annual-report-31-march-2024.pdf).

Cover pool information

The cover pool information set out on pages 3 to 8 of the Bank's Investor Report dated 30 April 2026 (https://www.macquarie.com/assets/macq/investor/debt-investors/secured-funding/covered-bonds-investor-reports/20260430-covered-bond-investor-report.pdf).

Previous Terms and Conditions

The Terms and Conditions of the Covered Bonds set out on pages 108 to 156 of the Prospectus dated 10 June 2022, the Terms and Conditions of the Covered Bonds set out on pages 113 to 182 of the Prospectus dated 7 June 2024 and the Terms and Conditions of the Covered Bonds set out on pages 113 to 182 of the Prospectus dated 6 June 2025 in each case relating to the Programme are incorporated in, and form part of, the Base Prospectus.

Future Incorporation by Reference

In addition to the above, any future (1) audited annual financial statements of the Bank and the consolidated annual financial statements of the Bank and its subsidiaries (including the notes thereto, the Consolidated Entity Disclosure Statement, the Directors' declaration and the Independent Auditor's Report and the notes thereto); (2) consolidated unaudited interim financial statements of the Bank and its subsidiaries (including the notes thereto, the Directors' declaration and the Independent Auditor's Review Report); and (3) audited annual financial statements of the Trust (including the notes thereto, the Manager's Declaration and the Independent Auditor's Report), in each case, after the date of the approval of this Base Prospectus, shall be deemed to be incorporated in, and form part of, this Base Prospectus as and when it is published during the period of 12 months from the date of this Base Prospectus on https://www.macquarie.com/au/en/investors/debt-investors/secured-funding.html and as notified to the public through the Regulatory News Service (RNS) announcement published in connection therewith.

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If any information listed in the above itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not be incorporated in, or form part of, this Prospectus, except where such information or other documents are specifically incorporated by reference in, or form part of, this Prospectus.

Any non-incorporated parts of a document incorporated by reference herein which is not incorporated in, and does not form part of, this Prospectus is either not relevant for investors or is contained elsewhere in this Prospectus.

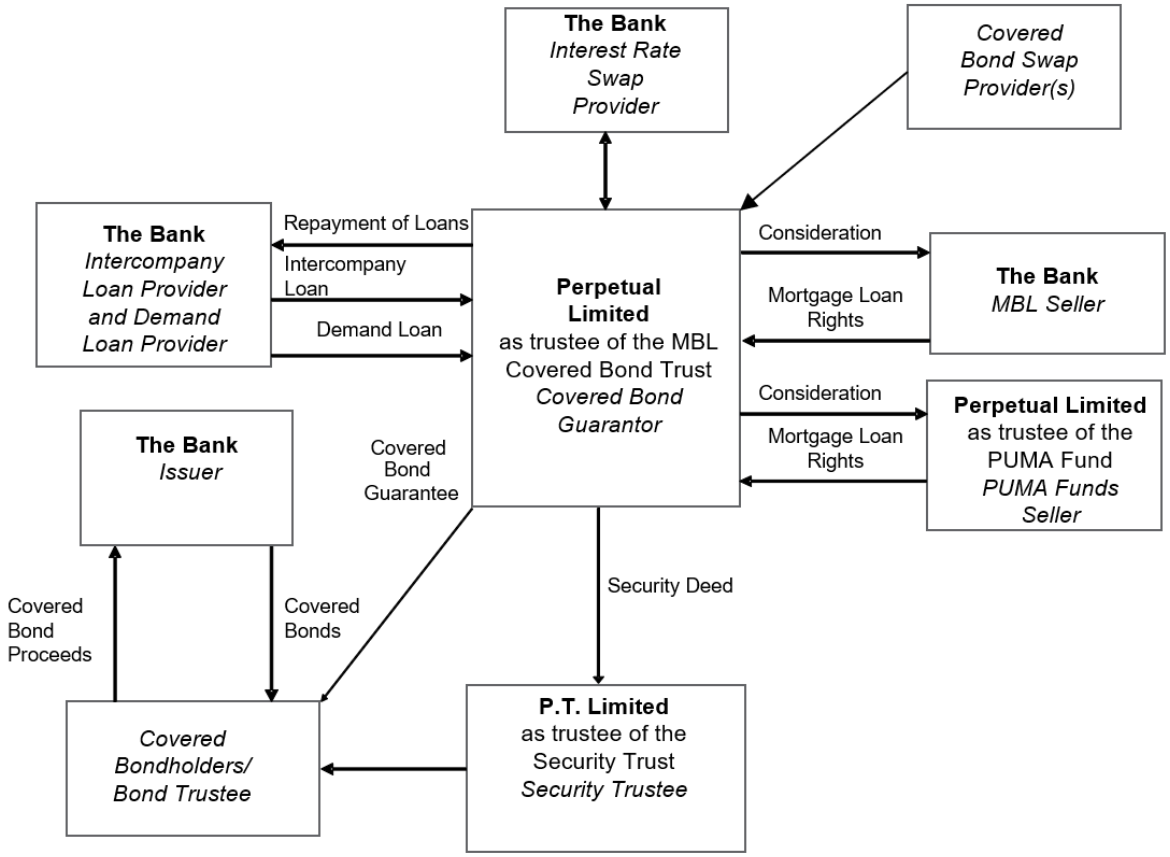
The documents stated to be incorporated by reference into this Prospectus above are also available on the internet site https://www.macquarie.com/au/en/investors/debt-investors/secured-funding.html.

All information which the Bank 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 Limited (the **ASX**) in compliance with the continuous disclosure requirements of the ASX Listing Rules.

STRUCTURE OVERVIEW

The information in this section is an overview of the structure relating to the Programme and does not purport to be complete. The information is taken from, and is qualified in its entirety by, the remainder of this Prospectus. Words and expressions defined elsewhere in this Prospectus shall have the same meanings in this overview.

Structure Diagram



Credit Structure

The Covered Bonds will be direct, unsecured, unsubordinated and unconditional obligations of the Issuer. The Covered Bond Guarantor has no obligation to pay the Guaranteed Amounts under the Covered Bond Guarantee until the occurrence of: (i) an Issuer Event of Default and service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and on the Covered Bond Guarantor of a Notice to Pay; or (ii) if earlier, following the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee on the Covered Bond Guarantor and the Issuer of a Covered Bond Guarantee Acceleration Notice. The Issuer will not be relying on any payments by the Covered Bond Guarantor under the Intercompany Loan Agreement or the Demand Loan Agreement in order to pay interest or repay principal under the Covered Bonds.

There are a number of features of the Programme which enhance the likelihood of timely and, as applicable, ultimate payments to Covered Bondholders, as follows:

(a) the Covered Bond Guarantee provides credit support in respect of obligations of the Issuer under the Covered Bonds and the Assets of the Trust provide security for the obligations of the Covered Bond Guarantor;

(b) the Asset Coverage Test is intended to test, on a monthly basis, prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or service of a Covered Bond Guarantee Acceleration Notice on the Issuer and the Covered Bond Guarantor, the asset coverage of the Assets of the Trust held from time to time by the Covered Bond Guarantor in respect of the Covered Bonds;

(c) the Amortisation Test is intended to test, on a monthly basis, following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the asset coverage of the Assets of the Trust held from time to time by the Covered Bond Guarantor in respect of the Covered Bonds;

(d) a Reserve Fund will be established in the GIC Account, which will be funded from Available Income Amounts or by crediting the remaining proceeds of a Term Advance or a Reserve Fund Demand Loan Advance up to the Reserve Fund Required Amount for so long as the Issuer's credit rating or deposit rating, as applicable, is below the Moody's Specified Ratings and/or the Fitch Specified Rating;

(e) under the terms of the Account Bank Agreement, the Account Bank has agreed to pay a rate of interest per annum equal to the 30 day Bank Bill Rate which will be at the rate determined by the Account Bank on the first day of each Collection Period (or, in the case of the first Collection Period, the first Closing Date) on all amounts held by the Covered Bond Guarantor in the GIC Account; and

(f) the Pre-Maturity Test is intended to provide liquidity to the Covered Bond Guarantor in relation to amounts of principal due on the Final Maturity Date of the Hard Bullet Covered Bonds.

Certain of these factors are considered more fully in the remainder of this section and in the section "*Credit Structure*" in this Prospectus.

Asset Coverage Test

The Programme provides that, prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Assets of the Trust held from time to time by the Covered Bond Guarantor are subject to the Asset Coverage Test. Accordingly, for so long as Covered Bonds remain outstanding, the Trust Manager must ensure that on each Determination Date prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Adjusted Aggregate Mortgage Loan Amount is an amount at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date. The Asset Coverage Test will be tested on a monthly basis by the Trust Manager on each Determination Date.

If on any Determination Date the Adjusted Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of all Covered Bonds on that Determination Date, the Asset Coverage Test will not be satisfied. If on the immediately following Determination Date the Asset Coverage Test remains unsatisfied, the Bond Trustee will serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (subject to the Bond Trustee receiving notification from the Trust Manager or, if earlier, having actual knowledge or express notice that the Asset Coverage Test remains unsatisfied). The Bond Trustee will be deemed to revoke an Asset Coverage Test Breach Notice if, on the next Determination Date to occur following the service of an Asset Coverage Test Breach Notice, the Asset Coverage Test is satisfied and neither a Notice to Pay nor a Covered Bond Guarantee Acceleration Notice has been served. If an Asset Coverage Test Breach Notice is not deemed to have been revoked on the next Determination Date after service of such Asset Coverage Test Breach Notice, an Issuer Event of Default will occur and the Bond Trustee will be entitled (and in certain circumstances may be required) to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor. The Asset Coverage Test will also be tested by the Trust Manager at any time required for the purposes of facilitating repayment of the Demand Loan to the extent such repayment is subject to the Asset Coverage Test being satisfied (notwithstanding the service of a Notice to Pay on the Covered Bond Guarantor).

Amortisation Test

On each Determination Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer) and, for so long as Covered Bonds remain outstanding, the Trust Manager must ensure that the Amortisation Test Aggregate Mortgage Loan Amount, as calculated on such Determination Date, will be at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds on such Determination Date. A breach of the Amortisation Test will constitute a Covered Bond Guarantor Event of Default and the Bond Trustee will be entitled (and, in certain circumstances, may be required) to serve a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer declaring the Covered Bonds

immediately due and repayable and the Security Trustee will be entitled and, in certain circumstances, may be required, to enforce the Security.

Legislated Collateralisation Test

In addition to the Asset Coverage Test and the Amortisation Test, the Programme benefits from the Issuer's obligation to comply with the minimum over-collateralisation requirements set out in the Australian Banking Act and, for that purpose, the Legislated Collateralisation Test as described in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus. As the Legislated Collateralisation Test is a minimum requirement, the Issuer expects that the Legislated Collateralisation Test will be satisfied in all circumstances in which the Asset Coverage Test or the Amortisation Test, as applicable, is satisfied.

Pre-Maturity Test

Each Series of Hard Bullet Covered Bonds is subject to the Pre-Maturity Test on each Local Business Day during the Pre-Maturity Test Period for that Series of Hard Bullet Covered Bonds prior to the occurrence of an Issuer Event of Default and/or a Covered Bond Guarantor Event of Default. The Pre-Maturity Test is intended to provide liquidity for such Covered Bonds when the Issuer's short-term credit ratings and/or deposit rating, as applicable, are below a certain level within a specified period prior to the maturity of such Covered Bonds. If the Pre-Maturity Test is breached within such specified period and certain actions are not taken, an Issuer Event of Default will occur and the Bond Trustee will be entitled (and in certain circumstances may be required) to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor (see the section "*Overview of the Principal Documents – Establishment Deed – Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached*" in this Prospectus for further information).

Extendable Obligations under the Covered Bond Guarantee

An Extended Due for Payment Date may be specified as applying in relation to a Series of Covered Bonds in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). This means that if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on the Final Maturity Date (subject to applicable grace periods) and if the Covered Bond Guarantor, following service of a Notice to Pay, fails to pay the Guaranteed Amounts equal to the unpaid portion of the Final Redemption Amount of the relevant Series of Covered Bonds in full by the Extension Determination Date (for example, because following the service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor has insufficient moneys available in accordance with the Guarantee Priority of Payments to pay in full the Guaranteed Amounts corresponding to the unpaid portion of the Final Redemption Amount of the relevant Series of Covered Bonds) then payment of the unpaid amount pursuant to the Covered Bond Guarantee will be automatically deferred (without a Covered Bond Guarantor Event of Default occurring as a result of such non-payment) and will be due and payable on the Extended Due for Payment Date (subject to any applicable grace period). However, to the extent that moneys are available in accordance with the Guarantee Priority of Payments, any amount representing the Final Redemption Amount due and remaining unpaid on the Extension Determination Date may be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter, up to (and including) the relevant Extended Due for Payment Date. Interest will continue to accrue on any unpaid amount during such extended period and be payable on the Original Due for Payment Date and on the Extended Due for Payment Date in accordance with Condition 4.

Reserve Fund

The Covered Bond Guarantor will be required on the first Issue Date or the first Distribution Date to deposit into the GIC Account (with a corresponding credit to the Reserve Ledger) any Available Income Amount or the relevant proceeds of a Term Advance or Reserve Fund Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount. On each subsequent Issue Date or Distribution Date, the Covered Bond Guarantor may be required to make further deposits into the GIC Account (with a corresponding credit to the Reserve Ledger) of any Available Income Amount or the relevant proceeds of a Term Advance or Reserve Fund Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount. The Reserve Fund Required Amount on any day will depend on the credit rating and deposit rating of the Issuer. For so long as the Issuer's credit rating or deposit rating, as applicable, is equal to or higher than the Moody's Specified Rating and the Fitch Specified Rating, the Reserve Fund Required Amount is nil (or such other amount as the Issuer notifies the

Covered Bond Guarantor). If the Issuer is not rated the Fitch Specified Rating and/or the Moody's Specified Rating the determination of the Reserve Fund Required Amount will depend on the relevant rating trigger(s) not met.

The Programme

Pursuant to the terms of the Programme, the Issuer will issue Covered Bonds to the Covered Bondholders on an Issue Date. The Covered Bonds will be direct, unsecured, unsubordinated and unconditional obligations of the Issuer.

The Issuer's indebtedness in respect of the Covered Bonds is affected by applicable laws which include (but are not limited to) sections 13A and 16 of the Australian Banking Act and section 86 of the Australian Reserve Bank Act. These provisions provide that in the event that the Issuer becomes unable to meet its obligations or suspends payment, its assets in Australia are to be available to meet its liabilities to, among others, APRA, the RBA and holders of protected accounts held in Australia, in priority to all other liabilities, including the Covered Bonds.

The Covered Bonds will not be protected accounts or deposit liabilities of the Issuer for the purposes of the Australian Banking Act.

The Australian Banking Act also provides that the Issuer's assets in Australia for these purposes do not include the assets in a cover pool (as defined in the Australian Banking Act).

In addition, the Issuer's indebtedness is not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction.

Covered Bonds issued under the Programme

Except in respect of the first issue of Covered Bonds, Covered Bonds issued under the Programme will either be fungible with an existing Series of Covered Bonds (in which case they will form part of such Series) or have different terms to an existing Series of Covered Bonds (in which case they will constitute a new Series).

All Covered Bonds issued from time to time will rank *pari passu* with each other in all respects (except as set out in the Guarantee Priority of Payments) and will share in the Security granted by the Covered Bond Guarantor under the Security Deed.

In order to ensure that any further issue of Covered Bonds under the Programme does not adversely affect existing Covered Bondholders:

(a) the Bank (as Intercompany Loan Provider) will, subject to certain conditions precedent, be obliged to make a Term Advance under the Intercompany Loan Agreement to the Covered Bond Guarantor in an amount equal to either (i) the Principal Amount Outstanding on the Issue Date of such further issue of Covered Bonds in the Specified Currency of the relevant Series or Tranche of Covered Bonds; or (ii) the Australian Dollar Equivalent of the Principal Amount Outstanding on the Issue Date of such further issue of Covered Bonds, and (in each case) for a matching term. The Covered Bond Guarantor may only use the proceeds of such Term Advance in the manner described under "*Intercompany Loan Agreement*" below; and

(b) further Covered Bonds may not be issued if an Asset Coverage Test Breach Notice has been served and is outstanding.

There is no assurance that the issue of a further Series of Covered Bonds will not be ultimately adverse to the interests of any existing holder of Covered Bonds because, for instance, the level of collateralisation in the cover pool is reduced or because of the timing subordination risk (as described in the section "*Risk Factors – Risk Factors related to the Nature of Covered Bonds – Final Maturity Date and extendable obligations under the Covered Bond Guarantee*" in this Prospectus). See also the section "*Risk Factors – APRA's powers under the Australian Banking Act – Power to prevent further issue of covered bonds*" below in relation to restrictions on the Bank (as Issuer) from issuing covered bonds under the Australian Banking Act.

The Sellers will, subject to the satisfaction of certain conditions (including the criteria for Eligible Mortgage Loans) offer to sell Mortgage Loan Rights to the Covered Bond Guarantor from time to time.

Intercompany Loan Agreement

Pursuant to the terms of the Intercompany Loan Agreement, the Bank as Intercompany Loan Provider will make a Term Advance to the Covered Bond Guarantor in an amount equal to either (i) if a Non-Forward Starting Covered Bond Swap is entered into on the relevant Issue Date, the Principal Amount Outstanding on the Issue Date of the relevant Series or, as applicable, Tranche of Covered Bonds in the Specified Currency of the relevant Series or Tranche of Covered Bonds or (ii) if a Forward Starting Covered Bond Swap is entered into on the relevant Issue Date, the Australian Dollar Equivalent of the Principal Amount Outstanding on the Issue Date of the relevant Series or, as applicable, Tranche of Covered Bonds, and (in each case) for a matching term. Payments by the Issuer of amounts due under the Covered Bonds will not be conditional upon receipt by the Bank of payments from the Covered Bond Guarantor pursuant to the Intercompany Loan Agreement. The payment of amounts owed by the Covered Bond Guarantor under the Intercompany Loan Agreement will be subordinated to the payment of amounts owed by the Covered Bond Guarantor under the Covered Bond Guarantee in accordance with the Guarantee Priority of Payments and the Post-Enforcement Priority of Payments.

The Covered Bond Guarantor may only use the proceeds of the Term Advances received under the Intercompany Loan Agreement from time to time (if not denominated in Australian Dollars, upon exchange into Australian Dollars under the applicable Non-Forward Starting Covered Bond Swap): (i) to fund (in whole or part) the Consideration payable to a Seller for the Mortgage Loan Rights to be acquired from the relevant Seller in accordance with the terms of the Mortgage Sale Agreement; and/or (ii) acting in accordance with the Establishment Deed, to invest in Substitution Assets in an amount not exceeding the prescribed limit (as set out in the section "*Overview of the Principal Documents – Establishment Deed – Limit on Investing in Substitution Assets and Authorised Investments*" in this Prospectus) to the extent required to meet the Asset Coverage Test; and thereafter or otherwise the Covered Bond Guarantor may use such proceeds (subject to complying with the Asset Coverage Test (as described below)): (A) if an existing Series or Tranche or part of an existing Series or Tranche of Covered Bonds is being refinanced (by the issue of a further Series or Tranche of Covered Bonds to which the Term Advance relates) to repay the Term Advance(s) corresponding to the Covered Bonds being so refinanced (after exchange into the currency of the Term Advance(s) being repaid, if necessary); and/or (B) to make a repayment of the Demand Loan, provided that the Trust Manager has determined the outstanding balance of the Demand Loan by calculating the Asset Coverage Test as at the Intercompany Loan Drawdown Date having taken into account such repayment and the Trust Manager has confirmed that the Asset Coverage Test will continue to be met after giving effect to such repayment; and/or (C) subject to the terms of the Establishment Deed, to make a deposit of all or part of the proceeds into the GIC Account (including, without limitation, to fund the Reserve Fund up to an amount not exceeding the Reserve Fund Required Amount).

Demand Loan Agreement

Pursuant to the Demand Loan Agreement, the Bank as Demand Loan Provider will make a Demand Loan Facility available to the Covered Bond Guarantor. The Covered Bond Guarantor may draw Demand Loan Advances denominated in Australian Dollars from time to time under the Demand Loan Facility. The Demand Loan Facility is a revolving credit facility. Demand Loan Advances may only be used by the Covered Bond Guarantor: (i) to fund (in whole or in part) the Consideration payable to a Seller for the acquisition of Mortgage Loan Rights from the relevant Seller on a Closing Date to the extent the aggregate of the proceeds of a Term Advance and/or the Available Principal Amount on that date are not sufficient to pay such Consideration; (ii) to repay a Term Advance on the date on which the Series of Covered Bonds corresponding to such Term Advance matures; (iii) to rectify a failure to meet the Asset Coverage Test, such funds to be deposited into the GIC Account, invested in Substitution Assets (not exceeding the prescribed limit described in the section "*Overview of the Principal Documents – Establishment Deed – Limit on Investing in Substitution Assets and Authorised Investments*" in this Prospectus) and/or used to purchase Mortgage Loan Rights from the relevant Seller; (iv) to rectify a breach of the Pre-Maturity Test; (v) to rectify an Interest Rate Shortfall; (vi) to make a deposit to the Reserve Fund; or (vii) for any other purpose whatsoever as may be agreed from time to time between the Covered Bond Guarantor (acting on the directions of the Trust Manager) and the Demand Loan Provider. Each Demand Loan Advance will be consolidated to form the Demand Loan.

Repayment of the principal amount owed by the Covered Bond Guarantor under the Demand Loan Agreement may:

(a) provided that the Asset Coverage Test is met after giving effect to such repayment, be made:

(A) on any day an applicable Term Advance is made, by way of set-off by application of the proceeds of the Term Advance as described in "Overview of the Principal Documents - Intercompany Loan Agreement" below; or

(B) if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager) by an in specie distribution of Mortgage Loan Rights (the value of which will be determined by reference to the Current Principal Balance plus arrears of interest and accrued interest thereon in respect of the corresponding Mortgage Loans calculated as at the date of the relevant in specie distribution) to the Demand Loan Provider or its Nominee (in priority to amounts owed by the Covered Bond Guarantor under the Intercompany Loan Agreement and the Covered Bond Guarantee); or

(b) otherwise, be subordinated to amounts owed by the Covered Bond Guarantor under the Covered Bond Guarantee and under the Intercompany Loan Agreement, as applicable, in accordance with the applicable Priority of Payments (and repayment of such amounts may be also satisfied by an in specie distribution of Mortgage Loan Rights, at the discretion of the Trust Manager or, in the case of the Post-Enforcement Priority of Payments, the Security Trustee).

For further details see the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus.

Mortgage Sale Agreement

A Seller may, at the direction of the Origination Manager and subject to the satisfaction of certain conditions (including the criteria for Eligible Mortgage Loans), offer to sell Mortgage Loan Rights to the Covered Bond Guarantor from time to time.

Under the terms of the Mortgage Sale Agreement, the consideration payable to a Seller for the sale of Mortgage Loan Rights, originated by that Seller, to the Covered Bond Guarantor will be a payment paid by the Covered Bond Guarantor to the relevant Seller on the applicable Closing Date.

Servicing Deed

In its capacity as Servicer, MSL has entered into the Servicing Deed with, amongst others, the Covered Bond Guarantor and the Security Trustee, pursuant to which the Servicer has agreed to administer and service the Mortgage Loan Rights sold by the Sellers to the Covered Bond Guarantor.

Covered Bond Guarantee

Pursuant to the terms of the Bond Trust Deed, the Covered Bond Guarantor has guaranteed payments of interest and principal under the Covered Bonds issued by the Issuer. The Covered Bond Guarantor has agreed to pay an amount equal to the Guaranteed Amounts when the same become Due for Payment but which would otherwise be unpaid by the Issuer. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute (following service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice) direct and unconditional obligations of the Covered Bond Guarantor, secured against the Assets of the Trust held from time to time by the Covered Bond Guarantor as provided in the Security Deed and recourse against the Covered Bond Guarantor is limited to such Assets (see "*Covered Bond Guarantor's Liability*" below). Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice upon the Issuer (whereupon the Covered Bonds will become immediately due and payable as against the Issuer but not, at such time, as against the Covered Bond Guarantor), the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor (copied to the Trust Manager and the Security Trustee).

A Covered Bond Guarantee Acceleration Notice may be served by the Bond Trustee on the Issuer and the Covered Bond Guarantor following the occurrence of a Covered Bond Guarantor Event of Default. If a Covered Bond Guarantee Acceleration Notice is served, the Covered Bonds will become immediately due and payable against the Issuer (if they have not already become due and payable) and the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will be accelerated and the Security Trustee will be entitled to enforce the Security. Prior to the service of a Covered Bond Guarantee Acceleration Notice, payments made by the Covered Bond Guarantor under the Covered Bond Guarantee will be made subject to, and in accordance with, the Guarantee Priority of Payments. All moneys recovered or received by the Security Trustee or any receiver after the service of a Covered Bond Acceleration Notice will be held by it in the Trust Accounts to be applied, together with any applicable In Specie Mortgage Loan Rights, in accordance with the Post-Enforcement Priority of

Payments (other than Third Party Amounts due to a Seller and any Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements).

Covered Bond Guarantor's Liability

The Covered Bond Guarantor is party to the Programme Documents only in its capacity as trustee of the Trust and in no other capacity. A liability arising under or in connection with the Programme Documents is limited to and can be enforced against the Covered Bond Guarantor only to the extent to which it can be satisfied out of Assets of the Trust out of which the Covered Bond Guarantor is actually indemnified for the liability. This limitation of the Covered Bond Guarantor's liability applies despite any other provision of the Programme Documents (other than as a result of the Covered Bond Guarantor's fraud, negligence or wilful default - see further the definitions of "fraud", "negligence" and "wilful default" in the section "*Glossary*" in this Prospectus) and extends to all liabilities and obligations of the Covered Bond Guarantor in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to a Programme Document.

In relation to the Trust, no party to a Programme Document other than the Covered Bond Guarantor may sue the Covered Bond Guarantor in any capacity other than as trustee of the Trust, nor may they seek the appointment of a receiver (except in relation to the Assets of the Trust), a liquidator, an administrator or any similar person to the Covered Bond Guarantor or prove in any liquidation, administration or arrangements of or affecting the Covered Bond Guarantor (except in relation to the Assets of the Trust).

The above will not apply to any obligation or liability of the Covered Bond Guarantor to the extent that it is not satisfied because under the Programme Documents or by operation of law there is a reduction in the extent of the Covered Bond Guarantor's indemnification out of the Assets of the Trust, as a result of the Covered Bond Guarantor's fraud, negligence or wilful default. See further the definitions of "fraud", "negligence" and "wilful default" in the section "*Glossary*" in this Prospectus.

The Transaction Parties are each responsible under the Programme Documents for performing a variety of obligations relating to the Trust. No act or omission of the Covered Bond Guarantor (including any related failure to satisfy its obligations or breach of representation or warranty under any Programme Document) will be considered fraud, negligence or wilful default of the Covered Bond Guarantor to the extent to which the act or omission was caused or contributed to by any failure by any Transaction Party (other than the Covered Bond Guarantor) or any other person to fulfil its obligations relating to the Trust or by any other act or omission of any Transaction Party (other than the Covered Bond Guarantor) or any other person.

No attorney, agent, receiver or receiver and manager appointed in accordance with the Programme Documents has authority to act on behalf of the Covered Bond Guarantor in a way which exposes the Covered Bond Guarantor to any personal liability and no act or omission of any such person will be considered fraud, negligence or wilful default of the Covered Bond Guarantor. See further the definitions of "fraud", "negligence" and "wilful default" in the section "*Glossary*" in this Prospectus.

The Covered Bond Guarantor is not obliged to do or refrain from doing anything under the Programme Documents (including incur any liability) unless the Covered Bond Guarantor's liability is limited in the same manner as described above.

Dual recourse: Excess Proceeds to be paid to Covered Bond Guarantor

Following the occurrence of an Issuer Event of Default, the Bond Trustee may (and, in certain circumstances, must) serve an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor.

Following service of an Issuer Acceleration Notice and a Notice to Pay, any moneys received by the Bond Trustee from the Issuer (or any administrator, receiver, manager, liquidator, controller, statutory manager or other similar official appointed in relation to the Issuer) (**Excess Proceeds**) will be paid by the Bond Trustee to the Covered Bond Guarantor and shall be used by the Covered Bond Guarantor in the same manner as all other moneys standing to the credit of the GIC Account pursuant to the Security Deed and the Establishment Deed.

At any time after the service of a Notice to Pay, but prior to the service of a Covered Bond Guarantee Acceleration Notice, payments by the Covered Bond Guarantor under the Covered Bond Guarantee will be made in accordance with the Guarantee Priority of Payments.

Security Deed

To secure its obligations under the Covered Bond Guarantee and the Programme Documents to which it is a party, the Covered Bond Guarantor has granted a security interest over the Secured Property (being all the Assets of the Trust acquired by or accruing to the Covered Bond Guarantor after the date of first execution of the Security Deed) in favour of the Security Trustee (for itself and on behalf of the other Secured Creditors) pursuant to the Security Deed.

Security Trustee's Liability

Notwithstanding any provision of the Programme Documents, the Security Trustee is party to the Programme Documents only in its capacity as trustee of the Security Trust and in no other capacity and the Security Trustee has no liability under or in connection with the Programme Documents (whether to the Secured Creditors, the Covered Bond Guarantor or any other person) other than to the extent to which the liability is able to be satisfied out of the property of the Security Trust from which the Security Trustee is actually indemnified for the liability. This limitation will not apply to a liability of the Security Trustee to the extent that it is not satisfied because, under the Programme Documents or by operation of law, there is a reduction in the extent of the Security Trustee's indemnification out of the Security Trust as a result of the Security Trustee's fraud, negligence or wilful default. See further the definitions of "fraud", "negligence" and "wilful default" in the section "*Glossary*" in this Prospectus.

Priorities of Payment

Pre-Acceleration Income Priority of Payments and Pre-Acceleration Principal Priority of Payments

Prior to the service of a Notice to Pay and/or service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Covered Bond Guarantor (acting on the directions of the Trust Manager) will, on each Distribution Date:

(a) apply the Available Income Amount (A) to pay amounts due, or to become due and payable (excluding principal amounts) on the Term Advances and/or (B) to pay amounts due, or to become due and payable (excluding principal amounts) on the Demand Loan. However, these payments will only be made after payment of certain items ranking higher in the Pre-Acceleration Income Priority of Payments (including, but not limited to, certain expenses and amounts due to the Interest Rate Swap Provider); and

(b) apply the Available Principal Amount, together with (in relation to the repayment of the Demand Loan only and only if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager)) any applicable In Specie Mortgage Loan Rights, towards making repayments of the principal amount outstanding on the Demand Loan (by an in specie distribution of Mortgage Loan Rights) and the Term Advances but only after payment of certain items ranking higher in the Pre-Acceleration Principal Priority of Payments (including, but not limited to, the reimbursement of Trust Further Advances made by a Seller or by the Bank or MSL, on behalf of a Seller, funding any liquidity that may be required in respect of Hard Bullet Covered Bonds following any breach of the Pre-Maturity Test and acquiring Mortgage Loans Rights offered by a Seller to the Covered Bond Guarantor from time to time). Provided that the Asset Coverage Test will be satisfied following any such repayment of the Demand Loan, the repayment of the Demand Loan will rank in priority to the repayment of the Term Advances if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager). Such repayment may only be satisfied by an in specie distribution of Mortgage Loan Rights to the Demand Loan Provider or its Nominee. However, if for any reason an in specie distribution is not made by the Covered Bond Guarantor following such demand (being an **In Specie Failure**), such repayment along with the repayment of the remaining portion of the Demand Loan under the terms of the Demand Loan Agreement will be subordinated to the repayment of the Term Advances.

Application of moneys following service of an Asset Coverage Test Breach Notice

At any time after service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been deemed to have been revoked), but prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice (or the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer):

(a) the Available Income Amount will continue to be applied in accordance with the Pre-Acceleration Income Priority of Payments except that, whilst any Covered Bonds remain outstanding, no moneys will be applied: (i) to pay any amounts due or to become due and payable (excluding principal amounts) to the Intercompany Loan Provider in respect of each Term Advance; (ii) to pay any amounts due or to become due and payable (excluding principal amounts) on the Demand Loan; or (iii) to the Income Unitholder in whole or partial satisfaction of any entitlement to the Net Trust Income of the Trust and the remainder (if any) after such application will be deposited into the GIC Account and will form part of the Available Income Amount to be applied on the next following Distribution Date; and

(b) the Available Principal Amount will continue to be applied in accordance with the Pre-Acceleration Principal Priority of Payments except that, whilst any Covered Bonds remain outstanding, moneys will not be applied: (i) to acquire Mortgage Loan Rights from a Seller and/or to acquire Substitution Assets in an amount sufficient to ensure the Asset Coverage Test is satisfied; (ii) to pay any amounts in respect of principal due or payable or to become due and payable to the Intercompany Loan Provider in respect of each Term Advance; (iii) to pay the Consideration for Mortgage Loan Rights assigned by a Seller to the Covered Bond Guarantor in accordance with the Mortgage Sale Agreement; (iv) to repay principal amounts outstanding under the Demand Loan; (v) to the Income Unitholder (in whole or partial satisfaction of any entitlement to Net Trust Income of the Trust); or (vi) to pay any amounts to the Capital Unitholder, and the remainder (if any) after such application will be deposited into the GIC Account and will form part of the Available Principal Amount to be applied on the following Distribution Date.

Application of moneys following service of a Notice to Pay

Following service on the Covered Bond Guarantor of a Notice to Pay (but prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Covered Bond Guarantor will apply the Available Income Amount and the Available Principal Amount on each Distribution Date to pay Guaranteed Amounts in respect of the Covered Bonds when the same become Due for Payment, subject to paying certain higher ranking obligations of the Covered Bond Guarantor in the Guarantee Priority of Payments. In such circumstances:

(a) if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager) or if there are no Covered Bonds outstanding and the Issuer has confirmed that no further Covered Bonds will be issued under the Programme, the Demand Loan Provider will be entitled to repayment of the Demand Loan pursuant to the terms of the Demand Loan Agreement, provided that the Asset Coverage Test is satisfied after giving effect to such repayment, in priority to payment of Guaranteed Amounts in respect of the Covered Bonds. The Covered Bond Guarantor (acting on the directions of the Trust Manager) must only distribute Mortgage Loan Rights of the Trust in specie (the value of which will be determined by reference to the Current Principal Balance plus arrears of interest and accrued interest thereon in respect of the corresponding Mortgage Loan calculated as at the date of the in specie distribution) to satisfy any such repayment obligation of the Covered Bond Guarantor to the Demand Loan Provider; and

(b) the Intercompany Loan Provider and the Demand Loan Provider will only be entitled to receive any remaining amounts (in the case of the Demand Loan Provider, to the extent any amounts due and payable have not been satisfied as described in paragraph (a) above) after all amounts due under the Covered Bond Guarantee in respect of the Covered Bonds have been paid in full or have otherwise been provided for. The Trust Manager may (at its discretion) direct the Covered Bond Guarantor to distribute any Mortgage Loan Rights of the Trust in full in specie to satisfy any such outstanding payment obligations to the Demand Loan Provider.

Acceleration of the Covered Bonds following a Covered Bond Guarantor Event of Default

Following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Covered Bonds will become immediately due and repayable (if not already due and payable as against the Issuer) and each of the Bond Trustee and the Security Trustee may or must take such proceedings or steps in accordance with the first and third paragraphs, respectively, of Condition 9.3 and the Bond Trustee (for the benefit of the Covered Bondholders) will have a claim against the Covered Bond Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount in respect of each Covered Bond of each Series together with accrued interest and any other amount due under the Covered Bonds (other than additional amounts payable by the Issuer under Condition 7) and the Security created by the Covered Bond Guarantor over the Secured Property will become

enforceable (if not already realised). Any moneys received or recovered by the Security Trustee (or a Receiver) following service of a Covered Bond Guarantee Acceleration Notice, together with any applicable In Specie Mortgage Loan Rights, will be distributed according to the Post-Enforcement Priority of Payments (other than Third Party Amounts due to the Sellers and any Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements).

For a more detailed description of the transactions summarised above relating to the Covered Bonds see, among other relevant sections, the sections "*Programme Overview*", "*Risk Factors*", "*Overview of the Principal Documents*", "*Credit Structure*", "*Cashflows*", "*The Mortgage Loan Rights*" and "*Terms and Conditions of the Covered Bonds*" in this Prospectus.

PROGRAMME OVERVIEW

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Series or Tranche of Covered Bonds, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). Words and expressions defined elsewhere in this Prospectus will have the same meanings in this overview.

The Parties

Issuer:	Macquarie Bank Limited (ABN 46 008 583 542), incorporated as a company with limited liability in the Commonwealth of Australia and having its head office at Level 1, 1 Elizabeth Street, Sydney NSW 2000, Australia. Macquarie Bank may offer Covered Bonds acting through its head office in Sydney or one or more of its branches outside Australia as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) (if any) or (in other cases) as agreed with the Relevant Dealer(s). In particular, Macquarie Bank may offer Covered Bonds acting through its London Branch. On 8 August 1994 Macquarie Bank Limited opened a London Branch. On 21 October 1994, Macquarie Bank Limited was registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR002678) in England and Wales. Macquarie Bank Limited, London Branch is an authorised person for the purposes of section 19 of the FSMA, as amended, and is authorised and regulated by the Financial Conduct Authority (Firm No. 170934). In the United Kingdom, Macquarie Bank Limited conducts regulated banking business. Macquarie Bank Limited (including its branches) is authorised and regulated by the Australian Prudential Regulation Authority. Macquarie Bank Limited, London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of the Bank's regulation by the Prudential Regulation Authority are available on request (FCA Firm No. 170934). For a more detailed description of the Issuer see "*Macquarie Bank Limited*".
Issuer Legal Entity Identifier (LEI):	4ZHCHI4KYZG2WVRT8631.
Covered Bond Guarantor:	Perpetual Limited ABN 86 000 431 827, incorporated as a company with limited liability in the Commonwealth of Australia and having an office at Level 14, 123 Pitt Street, Sydney NSW 2000, Australia, as trustee of the MBL Covered Bond Trust. In its capacity as trustee of the Trust, the Covered Bond Guarantor's principal business is to acquire, *inter alia*, Mortgage Loan Rights from the Sellers pursuant to the terms of the Mortgage Sale Agreement and to guarantee certain payments in respect of the Covered Bonds. The Covered Bond Guarantor will hold the Mortgage Loan Rights forming part of the Assets of the Trust and the other Secured Property in accordance with the terms of the Programme Documents. The Covered Bond Guarantor has provided a guarantee covering all Guaranteed Amounts when the same become Due for Payment, but only following service on the Issuer of an Issuer Acceleration Notice

	and service on the Covered Bond Guarantor of a Notice to Pay, or if earlier, service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and the other Programme Documents to which it is a party are secured by the Security Deed over the Secured Property from time to time of the Covered Bond Guarantor. The liability of the Covered Bond Guarantor to make payments under the Programme Documents (including under the Covered Bond Guarantee) is limited to its right of indemnity from the Assets of the Trust. Except in the case of, and to the extent that the Covered Bond Guarantor's right of indemnification against the Assets of the Trust is reduced as a result of fraud, negligence or wilful default, no rights may be enforced against the personal assets of the Covered Bond Guarantor by any person and no proceedings may be brought against the Covered Bond Guarantor except to the extent of the Covered Bond Guarantor's right of indemnity and reimbursement out of the Assets of the Trust. Other than in the exception previously mentioned, the personal assets of the Covered Bond Guarantor are not available to meet payments under the Covered Bond Guarantee.
The Trust:	The MBL Covered Bond Trust is established for purposes relating only to the Covered Bonds, including (without limitation) the acquisition, management and sale of, amongst other things, Mortgage Loan Rights, the borrowing of moneys to fund the acquisition of such assets, the hedging of risks associated with such assets and such funding, the acquisition, management and sale of Substitution Assets and Authorised Investments, the giving of guarantees in respect of any Covered Bonds issued by the Issuer, the granting of security to secure repayment of Covered Bonds and other liabilities in connection with the Programme and any purpose which is ancillary or incidental to any of the foregoing.
The Bank:	Macquarie Bank Limited ABN 46 008 583 542.
The Capital Unitholder:	The Bank.
The Income Unitholder:	The Bank.
Trust Manager and Servicer:	Macquarie Securitisation Limited ABN 16 003 297 336 (**MSL**).
MBL Seller:	The Bank.
PUMA Funds Seller:	Perpetual Limited ABN 86 000 431 827 in its capacity as trustee of the PUMA Funds.
Sellers:	The MBL Seller and the PUMA Funds Seller.
Account Bank / Intercompany Loan Provider / Demand Loan Provider:	The Bank.
Origination Manager:	MSL.
Bond Trustee:	DB Trustees (Hong Kong) Limited.
Security Trustee:	P.T. Limited ABN 67 004 454 666.
Cover Pool Monitor:	PricewaterhouseCoopers ABN 52 780 433 757.

Interest Rate Swap Provider:	The Bank (in its capacity as Interest Rate Swap Provider). The Interest Rate Swap Provider will be required to obtain a guarantee of its obligations from an appropriately rated guarantor or put in place some other arrangement in the event that its ratings fall below a specified ratings or counterparty risk assessment level.
Covered Bond Swap Provider:	Each Swap Provider that agrees to act as Covered Bond Swap Provider. A Covered Bond Swap Provider will be required to obtain a guarantee of its obligations from an appropriately rated guarantor or put in place some other arrangement in order to maintain the then current ratings of the Covered Bonds in the event that its ratings fall below a specified ratings or counterparty risk assessment level.
Arranger:	HSBC Bank plc.
Dealers:	BNP PARIBAS, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, HSBC Bank plc, HSBC Continental Europe, ING Bank N.V., the Bank, Macquarie Bank Limited (London Branch), Macquarie Bank Europe Designated Activity Company, Natixis and Société Générale.
Principal Paying Agent / Exchange Agent:	Deutsche Bank AG, Hong Kong Branch.
U.S. Paying Agent / U.S. Transfer Agent / U.S. Registrar:	Deutsche Bank Trust Company Americas.
EU Paying Agent / Registrar / Transfer Agent:	Deutsche Bank Luxembourg S.A.
A$ Registrar:	Austraclear Services Limited ABN 28 003 284 419.
Rating Agencies:	Fitch Australia Pty Ltd ABN 93 081 339 184. Moody's Investors Service Pty Limited ABN 61 003 399 657.

The Covered Bonds

Programme Size:	Up to AUD15,000,000,000 (or its equivalent in other currencies determined in relation to a Tranche of Covered Bonds by reference to the spot rate for the sale of Australian Dollars against the purchase of the currency of such Covered Bonds in the London foreign exchange market quoted by any leading bank selected by the Issuer on the date of the agreement to issue such Covered Bonds between the Issuer and the Relevant Dealer(s)) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of each Programme Agreement.
Distribution:	Covered Bonds may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis, subject to the restrictions set forth in the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus.
Specified Currencies:	Subject to any applicable legal or regulatory restrictions, Covered Bonds may be issued in such currency or currencies as may be agreed from time to time by the Issuer, the Relevant Dealer(s), the Principal Paying Agent and the Bond Trustee (as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).

Certain Restrictions:	Each issue of Covered Bonds denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus).
Issue Price:	Covered Bonds may be issued at par or at a premium or discount to par on a fully-paid basis or partly-paid basis (as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).
Form of Covered Bonds:	The Covered Bonds will be issued in bearer or registered form as described in "*Form of the Covered Bonds*". Registered Covered Bonds and A$ Registered Covered Bonds will not be exchangeable for Bearer Covered Bonds and Bearer Covered Bonds will not be exchangeable for Registered Covered Bonds or A$ Registered Covered Bonds. Interest on Covered Bonds in bearer form will only be payable outside the United States and its possessions. Covered Bonds may be Fixed Rate Covered Bonds, Floating Rate Covered Bonds, Fixed/Floating Rate Covered Bonds or Zero Coupon Covered Bonds, depending on the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), and subject, in each case, to issuance of a Rating Affirmation Notice by the Issuer.
Fixed Rate Covered Bonds:	Fixed Rate Covered Bonds will bear interest at a fixed rate which will be payable on such date or dates as may be agreed between the Issuer and the Relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the Relevant Dealer(s) (in each case as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).
Floating Rate Covered Bonds:	Floating Rate Covered Bonds will bear interest at a rate determined on the basis of: (i) a Reference Rate (as defined in the Conditions); (ii) SONIA; (iii) SOFR; (iv) €STR; or (v) the BBSW Rate (as defined in the Conditions), in each case as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). The Margin (if any) relating to such floating rate will be agreed between the Issuer and the Relevant Dealer(s) for each issue of Floating Rate Covered Bonds (as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).

Fixed/Floating Rate Covered Bonds:	Fixed/Floating Rate Covered Bonds will bear interest that may be converted from one interest basis to another as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Zero Coupon Covered Bonds:	Zero Coupon Covered Bonds may be offered and sold at a discount to their nominal amount and will not bear interest except in the case of late payment.
Exempt Covered Bonds:	The Issuer may agree with any Relevant Dealer(s) that Exempt Covered Bonds may be issued in a form not contemplated by the Conditions, in which event the relevant provisions will be included in the applicable Pricing Supplement.
Hard Bullet Covered Bonds:	Hard Bullet Covered Bonds may be offered and will be subject to a Pre-Maturity Test. The intention of the Pre-Maturity Test is to provide liquidity for the Hard Bullet Covered Bonds if the Issuer's short-term credit rating or short-term deposit rating has fallen below a certain level.
Maturities:	Subject to compliance with all applicable legal, regulatory and/or central bank requirements, Covered Bonds may be issued with such maturities as may be agreed between the Issuer and the Relevant Dealer(s) (as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).
Early Redemption:	The applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for a Series of Covered Bonds will indicate either that the relevant Covered Bonds of such Series cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or if it becomes unlawful for any Term Advance or the Demand Loan to remain outstanding) or that such Covered Bonds will be redeemable at the option of the Issuer upon giving notice to the Covered Bondholders, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the Relevant Dealer(s) or that such Covered Bonds will be redeemable at the option of the Covered Bondholders upon giving notice to the Issuer, on a date or dates specified prior to such stated maturity and at their Optional Redemption Amount as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Final Redemption:	Unless an Extended Due for Payment Date is specified as applicable in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for a Series of Covered Bonds, if that Series of Covered Bonds has not already been redeemed or purchased and cancelled in full in accordance with their terms and conditions, those Covered Bonds will be redeemed at their Final Redemption Amount on the Final Maturity Date for such Covered Bonds, as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Extendable obligations under the Covered Bond Guarantee:	If an Extended Due for Payment Date is specified as applicable in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for a Series of Covered Bonds and (i) the Issuer fails to pay, in full, the Final Redemption Amount for such Covered Bonds on the Final Maturity Date for such Covered Bonds (or by the end of the applicable grace period) and (ii) following the service of a Notice to Pay on the Covered Bond Guarantor by no later

	than the date falling one Business Day prior to the Extension Determination Date, the Covered Bond Guarantor has insufficient moneys available under the Guarantee Priority of Payments to pay, in full, the Guaranteed Amounts equal to the unpaid portion of such Final Redemption Amount by the earlier of (a) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor (or if later, the Final Maturity Date) under the terms of the Covered Bond Guarantee and (b) the Extension Determination Date for such Covered Bonds in accordance with the terms of the Covered Bond Guarantee (for example because, following the service of a Notice to Pay on the Covered Bond Guarantor, there are insufficient moneys available to it to pay, in accordance with the Guarantee Priority of Payments, such Guaranteed Amounts in full), then the obligation of the Covered Bond Guarantor to pay the unpaid portion of such Guaranteed Amount, or any part thereof will be deferred (and a Covered Bond Guarantor Event of Default will not occur as a result of such failure) until the Interest Payment Date thereafter on which sufficient moneys are available (after providing for liabilities ranking in priority thereto or *pari passu* therewith subject to and in accordance with the Guarantee Priority of Payments) to fund the payment of such unpaid portion, or any part thereof, provided that such payment shall not be deferred beyond the Extended Due for Payment Date when the unpaid portion of such Guaranteed Amount (together with accrued interest) will be due and payable. Interest will accrue on any such unpaid portion during such extended period and will be due and payable on each Interest Payment Date up to, and including, the Extended Due for Payment Date in accordance with Condition 4. For further information see the section "*Risk Factors – Final Maturity Date and extendable obligations under the Covered Bond Guarantee*" in this Prospectus.
Denomination of Covered Bonds:	The Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the Relevant Dealer(s) and set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) except that the minimum denomination of each Covered Bond will be €100,000 (or, if the Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency) and, in the case of Covered Bonds having a maturity of less than one year from the date of their issue, the minimum denomination will be £100,000 or its equivalent in any other currency or, in either case, such other higher amount as is required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. In the case of Covered Bonds offered in Australia, the minimum subscription amount in respect of an issue of Covered Bonds will be A$500,000 (disregarding any amount lent by the offeror, the issuer or any associated person of the offeror or issuer) or the offer must not (i) otherwise require disclosure to investors in accordance with Part 6D.2 of the Australian Corporations Act or (ii) be made to a person who is a "retail client" within the meaning of section 761G of the Australian Corporations Act.
Taxation:	All payments in respect of principal and interest on the Covered Bonds will be made without deduction or withholding for or on account of any taxes, unless such withholding or deduction is required by law. If any deduction or withholding is imposed by any Tax Jurisdiction and is required by law, the Issuer will, except in the specified

	circumstances provided in Condition 7, pay additional amounts in respect of the amounts so deducted or withheld. If any payments of Guaranteed Amounts made by the Covered Bond Guarantor under the Covered Bond Guarantee are or become subject to any such withholding or deduction, the Covered Bond Guarantor will not be obliged to pay any additional amount as a consequence under Condition 7. The Guaranteed Amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee will not include any additional amounts the Issuer would be obliged to pay as a result of any deduction or withholding in accordance with Condition 7. For a further discussion of any withholding tax obligations see the section "*Tax Considerations*" in this Prospectus.
Payments under Covered Bond Guarantee:	If a Notice to Pay is served in respect of any Series of Covered Bonds, then the Covered Bond Guarantor will be required to make payments of Guaranteed Amounts in respect of all Series of Covered Bonds outstanding when the same becomes Due for Payment in accordance with the terms of the Covered Bond Guarantee. If a Covered Bond Guarantee Acceleration Notice is served in respect of any Series of Covered Bonds, then the obligation of the Covered Bond Guarantor to pay Guaranteed Amounts in respect of all Series of Covered Bonds outstanding will be accelerated.
Status of the Covered Bonds:	The Covered Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* without any preference or priority among themselves and at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer (other than any obligation preferred by mandatory provisions of applicable law including, without limitation, sections 13A and 16 of the Australian Banking Act and section 86 of the Australian Reserve Bank Act), from time to time outstanding. The Covered Bonds will not be protected accounts or deposit liabilities of the Issuer for the purposes of the Australian Banking Act. In addition, the Issuer's indebtedness in respect of the Covered Bonds is not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction.
Covered Bond Guarantee:	Payment of Guaranteed Amounts in respect of the Covered Bonds when Due for Payment will be unconditionally and irrevocably guaranteed by the Covered Bond Guarantor under the Covered Bond Guarantee. The Covered Bond Guarantor will be under no obligation to make payment in respect of the Guaranteed Amounts when Due for Payment unless (i) an Issuer Event of Default has occurred, an Issuer Acceleration Notice is served on the Issuer by the Bond Trustee and a Notice to Pay is served on the Covered Bond Guarantor, or (ii) a Covered Bond Guarantor Event of Default has occurred and a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor and the Issuer by the Bond Trustee. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will accelerate against the Covered Bond Guarantor and the Guaranteed Amounts will become immediately due and payable upon the service of a Covered Bond Guarantee Acceleration Notice. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute (following service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice) direct and unconditional obligations of the Covered Bond Guarantor secured against the Assets of the Trust held from time to time by the Covered Bond Guarantor as provided in the Security Deed.

The liability of the Covered Bond Guarantor to make payments under the Programme Documents (including under the Covered Bond Guarantee) is limited to its right of indemnity from the Assets of the Trust. Except and to the extent that the Covered Bond Guarantor's right of indemnification against the Assets of the Trust is reduced as a result of fraud, negligence or wilful default on its part, no rights may be enforced against the personal assets of the Covered Bond Guarantor by any person and no proceedings may be brought against the Covered Bond Guarantor except to the extent of the Covered Bond Guarantor's right of indemnity and reimbursement out of the Assets of the Trust. Other than in the exception previously mentioned, the personal assets of the Covered Bond Guarantor are not available to meet payments under the Covered Bond Guarantee.

Ratings:

Unless otherwise specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), each Series or Tranche of Covered Bonds to be issued under the Programme is expected to be rated "Aaa" by Moody's and "AAA" by Fitch. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency. There is no obligation on the Issuer to maintain the credit ratings in respect of any Series of Covered Bonds.

The credit rating of a Series of Covered Bonds to be issued under the Programme may be specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) on issuance.

In general, European regulated investors are restricted from using a credit rating for regulatory purposes unless such credit rating is issued by a credit rating agency established in the EU and registered under the CRA Regulation or if it is issued by a credit rating agency established in a third country, then either such credit rating is endorsed by the credit rating agency established in the European Union and registered under the CRA Regulation (and such registration has not been withdrawn or suspended) or the relevant third country is the subject of an equivalence decision by the European Commission and the credit rating agency is certified in accordance with the CRA Regulation.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

Credit ratings are not a recommendation or suggestion, directly or indirectly, to any investor or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of

	payments made in respect of any investment, loan or security. The Rating Agencies are not advisers, and nor do the Rating Agencies provide investors or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A credit rating should not be viewed as a replacement for such advice or services.
Listing and admission to trading:	Application has been made by the Issuer to the FCA for Covered Bonds issued under the Programme to be admitted to, during the period of 12 months from the date of this Prospectus, the Official List and to the London Stock Exchange for such Covered Bonds to be admitted to trading on the London Stock Exchange's main market. The applicable Pricing Supplement, in the case of Exempt Covered Bonds, will state whether or not the relevant Exempt Covered Bonds are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Governing Law:	The Establishment Deed, the Mortgage Sale Agreement, the Servicing Deed, the Intercompany Loan Agreement, the Demand Loan Agreement, the Management Agreement, the Security Deed, the Definitions Schedule, the Cover Pool Monitor Agreement, the Account Bank Agreement, the Interest Rate Swap Agreement, each Covered Bond Swap Agreement and the A$ Registry Agreement are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia. Unless specifically stated to the contrary in the relevant document (as detailed in the following paragraphs), the Regulation S Programme Agreement, the Bond Trust Deed (including the Covered Bond Guarantee), the Principal Agency Agreement, the Covered Bonds (other than any A$ Registered Covered Bonds), and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law. The covenant to pay made by the Issuer to the Bond Trustee in respect of the Covered Bonds in the Bond Trust Deed (but only, in respect of such provision, to the extent that it relates to any A$ Registered Covered Bonds), the provisions relating to the issuance of A$ Registered Covered Bonds and maintenance of the A$ Register in respect of the A$ Registered Covered Bonds in the Bond Trust Deed and the provisions relating to limiting recourse to the Covered Bond Guarantor and the Security Trustee in the Bond Trust Deed, the Principal Agency Agreement and the A$ Registered Covered Bonds are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia. The U.S. Distribution Agreement will be governed by, and construed in accordance with, New York law.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of any Tranche of Covered Bonds (see the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus).

RISK FACTORS

Introduction

Any investment in the Covered Bonds issued under the Programme will involve risks including those described in this section. All principal or material risks that have been identified by the Issuer are included in this section. The risks and uncertainties described below are not the only ones that the Issuer or the Covered Bond Guarantor may face. Additional risks and uncertainties that the Issuer is unaware of, or that it currently deems to be immaterial, may also become important risk factors that affect the Issuer or the Covered Bond Guarantor.

In each category of factors set out below, the Issuer believes that each factor included in each category of factors is material, with the most material in each category (based on the Issuer's assessment of the probability of its occurrence and the expected magnitude of its negative impact) being described first in each category.

Noting the points set out above by the Issuer with respect to its assessment of the level, order of materiality and potential of occurrence of the risks set out below, prospective investors should carefully consider the following discussion of the risk factors and the other information in this Prospectus and consult their own financial and legal advisers about the risks associated with the Covered Bonds before deciding whether an investment in the Covered Bonds is suitable for them. Prospective investors should be aware that the risks and uncertainties set forth below are not exhaustive (as these will not include those risks that have not been identified by the Issuer) and should carefully consider the following factors in addition to the matters set out elsewhere in this Prospectus before investing in the Covered Bonds offered under this Prospectus.

As at the date of this Prospectus, the Issuer believes that the following risk factors may affect the Issuer's ability to fulfil its obligations or the Covered Bond Guarantor's ability to perform its obligations, under or in respect of the Covered Bonds or the Covered Bond Guarantee and could be material for the purpose of assessing the market risks associated with the Covered Bonds.

If any of the listed or unlisted risks actually occur, the Issuer's and/or the Covered Bond Guarantor's business operations, financial condition or reputation could be materially adversely affected, with the result that the trading price of the Covered Bonds of the Issuer could decline and an investor could lose all or part of its investment. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

The Bank is an ADI as that term is defined under the Australian Banking Act. See the section "Description of the Covered Bonds Provisions of the Australian Banking Act" in this Prospectus for further information.

RISK FACTORS RELATED TO THE NATURE OF COVERED BONDS

Limited recourse against the Issuer

No Covered Bondholder will be entitled to institute proceedings directly against the Issuer or the Covered Bond Guarantor or to take any step or action with respect to the Bond Trust Deed, the Covered Bonds or the Security unless the Bond Trustee or the Security Trustee, as applicable, having become bound to so proceed, fails so to do within a reasonable time and such failure is continuing in which event any Covered Bondholder may prove in the winding up, administration or liquidation of the Issuer or the Covered Bond Guarantor to the same extent and in the same jurisdiction (but not further or otherwise than the Bond Trustee would have been entitled to do so in respect of the Covered Bonds and/or the Bond Trust Deed) (see further Condition 9.3).

There can be no assurance that the actions, or the failure to act, by the Bond Trustee or the Security Trustee, as the case may be, will not adversely affect any Covered Bondholder.

Limited Recourse to Covered Bond Guarantor

The Assets of the Trust will be the sole source of payments by the Covered Bond Guarantor under the Programme Documents (including under the Covered Bond Guarantee). The Covered Bond Guarantor's personal assets or any other assets held by it as trustee of another trust will not be available to make such payments unless, in the case of personal assets, there is a reduction in the extent of the Covered Bond Guarantor's indemnification out of the Assets of the Trust as a result of the Covered Bond Guarantor's fraud, negligence or wilful default. Therefore, if the Assets of the Trust are insufficient to enable the Covered Bond Guarantor to meet those obligations (including in respect of the Covered Bond Guarantee), this may affect the timing or amount of interest and principal payments

under the Covered Bonds following an Issuer Event of Default and service of a Notice to Pay on the Covered Bond Guarantor.

Final Maturity Date and extendable obligations under the Covered Bond Guarantee

The Final Maturity Dates for different Series of Covered Bonds may not be the same. In the case of a Series of Extendable Maturity Covered Bonds, if the principal amounts have not been repaid in full by the Extension Determination Date, then the repayment of unpaid principal amounts will be deferred until the Extended Due for Payment Date. This means that a Series of Covered Bonds having an earlier Final Maturity Date than such Extended Due for Payment Date may start receiving principal repayments in advance of the Series of Extendable Maturity Covered Bonds in respect of which unpaid principal amounts have been deferred until such Extended Due for Payment Date.

The Extended Due for Payment Dates for different Series of Extendable Maturity Covered Bonds may not be the same. On each Distribution Date following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice), the Covered Bond Guarantor will apply the Available Income Amount and the Available Principal Amount in accordance with the Guarantee Priority of Payments. To the extent that the amount available for distribution under the Guarantee Priority of Payments would be insufficient to pay the Scheduled Interest, the Scheduled Principal, or the Final Redemption Amount of any Series of Covered Bonds to which an Extended Due for Payment Date applies, the shortfall will be divided amongst all such Series of Covered Bonds on a *pari passu* and rateable basis.

The Covered Bond Guarantor will be entitled to apply the Available Principal Amount in order to repay earlier maturing Series of Covered Bonds, which may mean that there may be fewer Assets available to support later maturing Series of Covered Bonds.

Repayment of Senior Demand Loan Component ranks senior provided that the Asset Coverage Test is met

The Demand Loan Provider is entitled to require repayment of any principal amount of the Demand Loan at any time by notice in writing to the Covered Bond Guarantor and the Trust Manager. Any amount so demanded must be repaid on the next Distribution Date after the demand is made by the Demand Loan Provider (or, within one Local Business Day of a demand, if so elected by the Demand Loan Provider), provided that the Asset Coverage Test will continue to be satisfied after giving effect to such repayment and that no Asset Coverage Test Breach Notice has been given on or prior to such day which has not been deemed to be revoked.

Repayment of the Demand Loan in those circumstances will be made in accordance with the applicable Priority of Payments. In the Pre-Acceleration Principal Priority of Payments, the Guarantee Priority of Payments and the Post-Enforcement Priority of Payments, if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager) repayment of the Demand Loan in respect of the Senior Demand Loan Component ranks senior, provided that the Asset Coverage Test continues to be met after such repayment, to the amounts due and payable by the Covered Bond Guarantor to the Covered Bondholders and Couponholders under the Covered Bond Guarantee (if applicable) and to the Intercompany Loan Provider under the Intercompany Loan. However, the amounts so due and payable in respect of the Senior Demand Loan Component must only be satisfied by an in specie distribution of Mortgage Loan Rights to the Demand Loan Provider or its Nominee in accordance with the applicable Priority of Payments. This means that the Covered Bondholders and Couponholders will not have the benefit of any voluntary over-collateralisation in the Programme (any over-collateralisation that exceeds the amount required to ensure compliance with the Asset Coverage Test) if the Demand Loan Provider exercises its right to require repayment of the Demand Loan. This may adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Risks related to the structure of a particular issue of Covered Bonds

A range of Covered Bonds may be issued under the Programme. A number of these Covered Bonds may have features which contain particular risks for potential investors. Set out below is a description of the material known risks of Covered Bonds with the following features:

(a) *Covered Bonds subject to optional redemption by the Issuer*

An optional redemption feature of Covered Bonds is likely to limit their market value. During any period when the Issuer may elect to redeem Covered Bonds, the market value of those Covered Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to

any redemption period. The Issuer may be expected to redeem Covered Bonds when its cost of borrowing is lower than the interest rate on the Covered Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Covered Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

(b) *Fixed Rate Covered Bonds*

Investment in Fixed Rate Covered Bonds involves the risk that subsequent changes in the market interest rates applying to fixed rate debt instruments issued in the same currency and having the same term to maturity as those Fixed Rated Covered Bonds may adversely affect the value of the Fixed Rate Covered Bonds.

(c) *Fixed Rate Covered Bonds or Floating Rate Covered Bonds*

Fixed Rate Covered Bonds or Floating Rate Covered Bonds may bear interest at a rate that converts from a fixed rate to a floating rate or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Covered Bonds since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed Rate Covered Bonds or Floating Rate Covered Bonds may be less favourable than then prevailing spreads on comparable Floating Rate Covered Bonds tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Covered Bonds. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Covered Bonds.

(d) *Covered Bonds issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

In the future, the Issuer may issue, not under this Prospectus, Covered Bonds with different features and different risks associated with them such as index linked, dual currency and partly paid covered bonds. It is not expected that the consent of the Covered Bondholders will be obtained in order to provide for the inclusion of such Covered Bonds in the Programme. See further section "*The Bond Trustee and the Security Trustee may agree to modifications to the Programme Documents without, respectively, the Covered Bondholders or other Secured Creditors' prior consent*" in this Prospectus.

Ratings of the Covered Bonds

The credit ratings assigned to a Tranche of Covered Bonds to be issued under the Programme by Fitch address the probability of default and of the recovery given a default of the Covered Bonds. The credit ratings assigned to the Covered Bonds to be issued under the Programme by Moody's address the probability of default, the loss arising by default and the expected loss posed to potential investors. A credit rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Covered Bonds. A downgrade in the corporate credit rating of the Issuer or the sovereign rating of Australia may have a negative impact on the credit ratings of the Covered Bonds.

In the event that a credit rating assigned to the Covered Bonds or the Bank (in its capacity as Issuer) is subsequently lowered or withdrawn or qualified for any reason, no other person or entity is obliged to provide any additional support or credit enhancement with respect to the Covered Bonds. The Issuer may be adversely affected, the market value of the Covered Bonds is likely to be adversely affected and the ability of the Issuer to make payment under the Covered Bonds may be adversely affected.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by a EEA-registered credit rating agency (and certain

other conditions are satisfied) or the relevant third country credit rating agency is certified in accordance with the CRA Regulation (and certain other conditions are satisfied) and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances. If the status of the rating agency rating the Covered Bonds changes, European regulated investors may no longer be able to use the relevant rating for regulatory purposes and the Covered Bonds may be subject to a different regulatory treatment. This may result in European regulated investors selling the Covered Bonds, which may have an impact on the value of the Covered Bonds in any secondary market. The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the applicable credit rating agencies and ratings may be disclosed in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Covered Bonds changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Covered Bonds may have a different regulatory treatment, which may impact the value of the Covered Bonds and their liquidity in the secondary market.

A Rating Agency may be removed as a rating agency on the Programme unless the requisite number of Covered Bondholders object to such removal

There is no assurance that both Rating Agencies will rate the Covered Bonds up to their relevant Final Maturity Date. Covered Bondholders should note that pursuant to Condition 10.2, the Bond Trustee and the Security Trustee are required to concur in and effect any modifications required to any of the Programme Documents to accommodate the removal of any one of the Rating Agencies from the Programme or the addition of any Rating Agency, provided that:

(a) at all times, there are at least two rating agencies rating the Programme and any Covered Bonds then outstanding; and

(b) in respect of the removal of any one of the Rating Agencies from the Programme only:

  (i) the Issuer has provided at least 30 calendar days' notice to the Covered Bondholders of the proposed modification effecting the removal in the manner provided in Condition 12 and by publication on Bloomberg on the "Company News" screen relating to the Covered Bonds; and

  (ii) Covered Bondholders holding, in aggregate, at least 10 per cent. of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) have not notified the Bond Trustee in writing (or otherwise in accordance with the then current practice of any relevant Clearing System through which such Covered Bonds may be held) within the notification period referred to in paragraph (b)(i) above that such Covered Bondholders do not consent to the proposed modification effecting the removal.

If Covered Bondholders holding, in aggregate, at least 10 per cent. of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) have notified the Bond Trustee in writing (or otherwise in accordance with the then current practice of any relevant Clearing System through which such Covered Bonds may be held) within the notification period referred to in paragraph (b)(i) above that they do not consent to the proposed modification effecting the removal (an **Objected Modification**), then such Objected Modification will

not be made unless the Bond Trustee is (a) so directed by an Extraordinary Resolution of the Covered Bondholders of the relevant one or more Series with the Covered Bonds of all such Series taken together as a single Series (and, if applicable, converted into Australian Dollars at the relevant Swap Rate) or (b) requested to do so in writing by Covered Bondholders holding not less than 25 per cent. of the Principal Amount Outstanding of the Covered Bonds of the relevant one or more Series (with the Covered Bonds of all such Series taken together as a single Series and, if applicable, converted into Australian Dollars at the relevant Swap Rate) then outstanding and at all times then only if the Bond Trustee is first indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

Objections made in writing other than through the relevant Clearing System must be accompanied by evidence to the Bond Trustee's satisfaction (having regard to prevailing market practices) of the relevant Covered Bondholder's holding of the Covered Bonds.

Rating Affirmation Notice in respect of Covered Bonds may not be available in all circumstances

By acquiring the Covered Bonds, investors will be deemed to have acknowledged and agreed that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to Covered Bondholders, including, without limitation, in connection with a Rating Affirmation Notice, whether any action proposed to be taken by the Issuer, the Covered Bond Guarantor, the Sellers, the Servicer, the Trust Manager, the Bond Trustee, the Security Trustee or any other party to a Programme Document is either (a) permitted by the terms of the relevant Programme Document, or (b) in the best interests of, or not materially prejudicial to, some or all of the Covered Bondholders. The fact that the Rating Agencies have not advised that the then current ratings of the Covered Bonds would not be adversely affected or withdrawn does not impose or extend any actual or contingent liability on the Rating Agencies to the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the Secured Creditors (including the Covered Bondholders) or any other person or create any legal relations between the Rating Agencies and the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the Secured Creditors (including the Covered Bondholders) or any other person whether by way of contract or otherwise.

The terms of certain of the Programme Documents provide that, if certain events or circumstances occur, the Issuer must deliver a Rating Affirmation Notice to the Covered Bond Guarantor and the Bond Trustee (copied to the Sellers, the Origination Manager and each Rating Agency) confirming that it has notified the Rating Agencies of the event or circumstance and that the Issuer is reasonably satisfied, for the purposes of the Programme Documents, following discussions with the Rating Agencies, that the event or circumstance, as applicable, will not result in a reduction, qualification or withdrawal of the ratings then assigned by the Rating Agencies to the Covered Bonds.

If a Rating Agency confirmation is required for the purposes of the Programme Documents and the Rating Agency does not consider such confirmation necessary, does not respond to a written request for a discussion by the Issuer or does not provide a confirmation in writing in connection with a Rating Affirmation Notice to be given by the Issuer in respect of any event or circumstance, the Issuer will be entitled to assume that the then current rating of the Covered Bonds from that Rating Agency will not be downgraded, qualified or withdrawn by such Rating Agency as a result of such event or circumstance. However, investors should be aware that any such non-response or co-operation will not be interpreted to mean that such Rating Agency has given any deemed confirmation or affirmation of rating or other response in respect of such action or step. Investors should also be aware that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a confirmation, affirmation or response in the time available or at all, and the Rating Agency will not be responsible for the consequences thereof. Such confirmation, affirmation or response by a Rating Agency, if given, will be given at the sole discretion of the relevant Rating Agency on the basis of the facts and circumstances prevailing at the relevant time, and in the context of cumulative changes to the transaction of which the Covered Bonds form part since the relevant issuance closing date which may result in a reduction, qualification or withdrawal of the ratings then assigned by the Rating Agencies and could have a material adverse effect on the value or liquidity of any such Covered Bonds.

Security Trustee's powers may affect the interests of the Covered Bondholders

The Security Trustee will not be obliged (other than as expressly provided in the Security Deed) to take any steps or exercise any of its powers, rights, trusts, authorities, duties, functions or discretions (including to require anything to be done, form any opinion or view, make any determination or give any notice, consent, waiver or approval) under or pursuant to the Security Deed or any other Programme Document to which the Security Trustee is a party (a) unless the Security Trustee has been directed to do so by the Bond Trustee (if any Covered Bonds

are outstanding) or by the Majority Secured Creditors (if no Covered Bonds are outstanding) and (b) the Security Trustee has been indemnified and/or secured and/or pre funded to its satisfaction against all Liabilities to which it may thereby render itself liable and all Liabilities which it may incur by so doing and (c) provided always that the Security Trustee is not bound to take any enforcement proceedings which may, in the opinion of the Security Trustee in its absolute discretion, result in the Security Trustee failing to receive any payment to which it is or would be entitled. As a result of these limitations, there is no guarantee the Security Trustee will act in a timely manner to take any steps or exercise any power, trusts, authorities and discretions.

If there is at any time a conflict between a duty owed by the Security Trustee to the Covered Bondholders and a duty owed by the Security Trustee to any other Secured Creditor or class of Secured Creditor, then the Security Trustee must have regard only to the interests of the Covered Bondholders while any of the Covered Bonds remain outstanding and will not be required to have regard to the interests of any other Secured Creditor or any other person or to act upon or comply with any direction or request of any other Secured Creditor or any other person while any amount remains owing to any Covered Bondholders.

Where in connection with the exercise of its powers, trusts, authorities and discretions (including any modifications, waiver, authorisation or determination) the Security Trustee is required to have regard to the Covered Bondholders (or any Series thereof), it must have regard to the general interests of the Covered Bondholders (or any Series thereof) as a class and must not have regard to any interests arising from circumstances particular to individual Covered Bondholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular country, territory or any political subdivision thereof and the Security Trustee will not be entitled to require, nor will any Covered Bondholder or Couponholder be entitled to claim from, the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Covered Bondholders or Couponholders, except to the extent already provided for in Condition 7.

If, in connection with the exercise of its powers, trusts, authorities or discretions, the Security Trustee is of the opinion that the interests of the holders of the Covered Bonds of any one or more Series could or would be materially prejudiced, the Security Trustee may determine that it will not exercise such power, trust, authority or discretion without the approval of such Covered Bondholders by Extraordinary Resolution or by a direction in writing of such Covered Bondholders of not less than 25 per cent. of the Australian Dollar Equivalent of the Principal Amount Outstanding of the Covered Bonds of the relevant Series then outstanding, and which has not been contradicted by a direction in writing of such Covered Bondholders of an equal or greater Australian Dollar Equivalent received by the Security Trustee prior to exercise of the relevant power, trust, authority or discretion, as the case may be.

Provided that the Security Trustee acts in good faith, as described in the preceding paragraphs, it will not incur any liability to any Secured Creditor or any other person for so doing.

The Bond Trustee is relying upon an exemption from the requirement to hold an Australian Financial Services Licence in respect of the A$ Registered Covered Bonds

The Bond Trustee does not hold an Australian Financial Services Licence (**AFSL**) but, as at the date of this Prospectus, is relying upon an exemption from the requirement to do so with respect to its obligations in respect of the A$ Registered Covered Bonds.

In accordance with its powers under the Bond Trust Deed, the Bond Trustee has appointed Perpetual Trustee Company Limited ABN 42 000 001 007 (**Perpetual**) as its delegate to exercise all of its rights, powers and discretions and to perform of all its duties and obligations relating to the covenants made by the Issuer to repay principal and interest on the A$ Registered Covered Bonds (the **Assigned Rights**).

However, the Bond Trustee will continue to act as trustee for the Covered Bondholders of the A$ Registered Covered Bonds and such Covered Bondholders will continue to deal with the Bond Trustee in respect of the Assigned Rights, because the terms of the delegation provide for the Bond Trustee to be appointed as Perpetual's sub-delegate in respect of the Assigned Rights. Therefore, the Issuer, the Trust Manager and the Covered Bond Guarantor will also continue to deal with the Bond Trustee in relation to the Assigned Rights. The delegation arrangements do not affect the Bond Trustee's liability to the Issuer, the Trust Manager, the Covered Bond Guarantor or the Covered Bondholders (including in respect of the Assigned Rights).

If the appointment of Perpetual is terminated in accordance with the terms of the delegation, the Bond Trustee has covenanted for the benefit of, amongst others, the Issuer, to appoint a replacement delegate or enter into such alternative arrangements (which may include obtaining an appropriate AFSL) to enable it to continue to perform its obligations in respect of the Assigned Rights.

The Bond Trustee and the Security Trustee may agree to modifications to the Programme Documents without, respectively, the Covered Bondholders or other Secured Creditors' prior consent

Pursuant to the terms of the Bond Trust Deed, the Bond Trustee may without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders and without the consent of the other Secured Creditors (other than any Secured Creditor who is a party to the relevant document) at any time and from time to time concur with the Issuer and the Covered Bond Guarantor (acting on the directions of the Trust Manager) and any other party and/or direct the Security Trustee to concur with the Issuer, the Covered Bond Guarantor (acting on the directions of the Trust Manager) or any other party, in making any modification to the Covered Bonds of one or more Series, the related Coupons or any Programme Document: (a) which does not relate to a Series Reserved Matter and which, in the opinion of the Bond Trustee, will not be materially prejudicial to the interests of the Covered Bondholders of any Series; or (b) which in the opinion of the Bond Trustee, is: (i) of a formal, minor or technical nature; (ii) made to correct a manifest error; or (iii) to comply with mandatory provisions of law (and for the purpose of this item (iii) the Bond Trustee may disregard whether such modification relates to a Series Reserved Matter). In forming its opinion as to whether the Covered Bonds or any one or more Series, the related Coupons or any Programme Document is subject to a manifest error, the Bond Trustee may have regard to any evidence which it considers reasonable to rely on (including a certificate from the Issuer as to certain matters and a Rating Affirmation Notice issued by the Issuer).

Pursuant to the terms of the Security Deed, the Security Trustee may without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders (while there are Covered Bonds outstanding), and without the consent of the other Secured Creditors (other than any Secured Creditor who is party to the relevant document) at any time and from time to time concur with the Issuer and the Covered Bond Guarantor (acting on the directions of the Trust Manager) or any other party in making any modification to the Covered Bonds of one or more Series, the related Coupons or to any Programme Documents if either (a) the Security Trustee is directed to do so by the Bond Trustee (if any Covered Bonds are outstanding) or the Majority Secured Creditors (if no Covered Bonds are outstanding) or (b) the modification is of a formal, minor or technical nature, made to correct a manifest error or an error established as such to the Security Trustee's satisfaction or made to comply with mandatory provisions of law and, if any Covered Bonds are outstanding, the Bond Trustee has approved the modification.

The Security Trustee and the Bond Trustee will be obliged to concur in and to effect modifications to the Programme Documents requested by the Issuer, the Covered Bond Guarantor or the Trust Manager to: (a) accommodate accession of a new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Cover Pool Monitor or new Agent to the Programme if certain conditions are met; (b) accommodate the accession of the Bank as a new Seller to the Programme if certain conditions are met; (c) accommodate the removal of any one of the Rating Agencies from the Programme or the addition of any Rating Agency, provided that at all times there are at least two rating agencies rating the Programme and any Covered Bonds then outstanding and, in respect of the removal of any one of the Rating Agencies from the Programme only, the proposed modification effecting such removal is not an Objected Modification; (d) permit the acquisition (which, without limitation, may be initially in equity only) by the Covered Bond Guarantor of Mortgage Loan Rights originated by an entity other than a then Seller and enable the Covered Bond Guarantor to protect or perfect its title to such Mortgage Loan Rights, if certain conditions are met; (e) take into account any new covered bonds ratings criteria of the Rating Agencies, or any changes or updates to, or any replacement of, the covered bonds ratings criteria of the Rating Agencies (including, without limitation, any manner in which a Rating Agency applies or construes any then existing covered bonds ratings criteria), subject to receipt by the Bond Trustee and the Security Trustee of a Rating Affirmation Notice from the Issuer; (f) allow a Swap Provider to transfer securities as Swap Collateral under a relevant Swap Agreement Credit Support Annex, including to appoint a custodian to hold such securities in a custody account pursuant to a custody agreement; (g) enable N Covered Bonds to be issued under the Programme if certain conditions are met (including written certification from the Issuer and the Trust Manager certifying to the Bond Trustee and the Security Trustee that the requested amendments are made solely for the purpose of the issuance of N Covered Bonds and are not, in their opinion, materially prejudicial to the interests of any Covered Bondholders or any Secured Creditor); or (h) ensure compliance of the Programme or the Issuer, as applicable, with, or ensure that the Issuer may benefit from (including if a Regulatory Event occurred or was likely to occur), any existing, new or amended legislation, regulation, directive, prudential standard or prudential guidance note of any regulatory body (including APRA) in relation to covered bonds provided that the Issuer and the Trust Manager

has certified to the Security Trustee and the Bond Trustee in writing that such modifications are required in order to comply with or benefit from such legislation, regulation, directive, prudential standard or prudential guidance note, as the case may be. In addition, (A) the Bond Trustee shall be obliged, without any requirement for the consent or approval of the Covered Bondholders or Couponholders and without liability to the Covered Bondholders or any other person, to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes, subject to the provisions in Condition 4.2(f)(vii); and (B) the Bond Trustee shall be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer in effecting any BBSW Rate Amendments in the circumstances and as otherwise set out in Condition 4.2(g)(iii) without the consent of the Covered Bondholders.

Certain decisions of the Covered Bondholders taken at Programme level

Any Extraordinary Resolution to direct the Bond Trustee to serve an Issuer Acceleration Notice following an Issuer Event of Default, to direct the Bond Trustee to serve a Covered Bond Guarantee Acceleration Notice following a Covered Bond Guarantor Event of Default or to direct the Bond Trustee or the Security Trustee (or to direct the Bond Trustee to direct the Security Trustee) to take any enforcement action or to direct the Bond Trustee to determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such must be passed at a single meeting of all Covered Bondholders of all Series then outstanding and therefore the holders of a single Series of Covered Bonds may not be able to give any directions to the Bond Trustee or the Security Trustee without the agreement of the holders of other outstanding Series of Covered Bonds.

Neither the Bond Trustee nor the Security Trustee will be bound to take enforcement proceedings in relation to the Bond Trust Deed, the Covered Bonds, the Coupons, the Security or any other Programme Document unless the Bond Trustee or Security Trustee, as applicable, has been indemnified and/or prefunded and/or secured to its satisfaction and provided that the Security Trustee will not be bound to take any enforcement proceedings which may, in the opinion of the Security Trustee in its absolute discretion, result in the Security Trustee failing to receive any payment to which it is or would be entitled.

Absence of secondary market; lack of liquidity

There is no assurance that any secondary market for the Covered Bonds will develop, that it will provide liquidity of investment or that it will continue for the life of the Covered Bonds. The risk that a secondary market in the Covered Bonds will not develop, cease to develop or fail is increased during major disruptions in the capital markets. Such disruptions may not be limited to issues which are directly relevant to the Issuer or the Assets of the Trust and which therefore may appear to be unrelated to the Covered Bonds. For example, past uncertainty and volatility in global credit markets have adversely affected transaction flow and there can be no assurance that a secondary market for the Covered Bonds issued by the Issuer will develop. The Covered Bonds are subject to certain restrictions on the resale and transfer thereof as set forth under the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus. If a secondary market does develop, it may not continue for the life of the Covered Bonds or it may not provide sufficient liquidity with the result that a holder of the Covered Bonds may not be able to find a buyer to buy its Covered Bonds readily or at prices that will enable the holder of the Covered Bonds to realise a desired yield. This is particularly the case for Covered Bonds 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. These types of Covered Bonds generally would 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 Covered Bonds. Consequently, a Covered Bondholder must be able to bear the economic risk of an investment in a Covered Bond for an indefinite period of time.

Eurosystem Eligibility

Any potential investor in the Covered Bonds should make their own conclusions and seek their own advice with respect to whether or not such Covered Bonds constitute Eurosystem eligible collateral.

APRA's powers under the Australian Banking Act

Power to direct the return of certain assets

The Australian Banking Act provides that, in certain circumstances, APRA has the power to direct the Covered Bond Guarantor to return certain assets to the Issuer. The Covered Bond Guarantor will be required to comply with APRA's direction despite anything in its constitution or any contract or arrangement to which it is a party.

Specifically, APRA has the power to direct the Covered Bond Guarantor to return to the Issuer an Asset held by the Covered Bond Guarantor to the extent that, at the time the direction is given, that Asset does not secure "covered bond liabilities". A "covered bond liability" (as defined in the Australian Banking Act) is a liability of the Issuer or the Covered Bond Guarantor to Covered Bondholders and any other liability which is secured by Assets beneficially owned by the Covered Bond Guarantor. A liability of the Covered Bond Guarantor to the Issuer (other than a liability relating to derivatives or the provision of services) which is secured in priority to any liability to the Covered Bondholders is not a "covered bond liability". Accordingly, APRA may direct the Covered Bond Guarantor to return Assets of the Trust which secure such senior-ranking liabilities of the Covered Bond Guarantor to the Bank. In the context of this Programme, this would extend to Assets that secure the Covered Bond Guarantor's obligation to repay the Senior Demand Loan Component where the Demand Loan Provider has demanded repayment in circumstances where the Asset Coverage Test would be met after giving effect to such repayment.

Under the Australian prudential standard regulating covered bonds (APS 121), the Issuer is required to maintain an accurate and up-to-date register of the Assets of the Trust which secure "covered bond liabilities".

APRA's power to give a direction to the Covered Bond Guarantor as described in this section is also subject to secrecy requirements which means that investors may not receive any notice or otherwise be aware that APRA has given the Covered Bond Guarantor any such direction.

If APRA exercises its power to direct the return of assets to the Issuer, this may adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Power to prevent additional sales to meet Asset Coverage Test on any day

The Australian Banking Act permits APRA to direct the Issuer, in certain circumstances, not to transfer any asset to the Covered Bond Guarantor (that is, to prevent the Issuer "topping up" the Assets of the Trust). Those circumstances include where APRA has reason to believe that the Issuer is unable to meet its liabilities, there has been a material deterioration in the Issuer's financial condition, the Issuer is conducting its affairs in an improper or financially unsound way, the failure to issue a direction would materially prejudice the interests of the Issuer's depositors or the Issuer is conducting its affairs in a way that may cause or promote instability of the Australian financial system. This power could potentially lead to the depletion of the Assets of the Trust which may adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Power to prevent further issue of covered bonds

Apart from and in addition to the Australian Banking Act restriction that the Issuer is precluded from issuing covered bonds if, at the time of issuance, the value of the assets in all cover pools maintained by the ADI exceeds 8 per cent. (or such other percentage prescribed by regulation for the purposes of section 28 of the Australian Banking Act) of the ADI's assets in Australia at that time, APRA has the power to direct the Issuer not to issue covered bonds pursuant to section 11CA of the Australian Banking Act or in circumstances where APRA has reason to believe that the ADI has contravened the covered bonds provisions of the Australian Banking Act, any other provision of the Australian Banking Act or any other prudential requirement regulation or a prudential standard relating to covered bonds.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates, and such risk-free rates differ from LIBOR (as defined herein) in a number of material respects

Interest on Floating Rate Covered Bonds may be determined by reference to a risk-free rate, such as the Sterling Overnight Index Average (**SONIA**), the Secured Overnight Financing Rate (**SOFR**) and the daily euro short-term rate **(€STR**). SONIA, SOFR and €STR, whether determined on a compounded daily basis or as a weighted average rate for a specified period in each case, differs from the London Inter-Bank Offered Rate (**LIBOR**) in a number of material respects, including (without limitation) that SONIA, SOFR and €STR are backwards-looking, risk-free overnight rates, whereas LIBOR is expressed on the basis of a forward-looking term and includes a credit risk-element based on inter-bank lending. As such, investors should be aware that there may be a material difference in the behaviour of LIBOR and risk-free rates such as SONIA, SOFR and €STR as interest reference rates for Floating Rate Covered Bonds.

Certain historical indicative secured overnight financing rates are published, although such historical indicative data inherently involves assumptions, estimates and approximations. Potential investors in Floating Rate Covered Bonds referencing SONIA, SOFR or €STR should not rely on such historical indicative data or on any historical changes or trends in the relevant risk-free rate, as the case may be, as an indicator of the future performance of

such risk-free rate. For example, since the initial publication of certain risk-free rates such as SONIA, SOFR or €STR, daily changes in such rates have, on occasion, been more volatile than daily changes in comparable benchmark or market rates. As a result, the return on and value and market price of Floating Rate Covered Bonds that reference SONIA, SOFR or €STR may fluctuate more than floating rate debt securities that are linked to less volatile rates. In addition, the volatility of risk-free rates has reflected the underlying volatility of the relevant overnight market. The relevant central banks have at times conducted operations in the relevant overnight markets in order to help maintain other rates within a target range. There can be no assurance that such operations will continue to be conducted in the future, and the duration and extent of any such operations is inherently uncertain. The effect of any such operations, or of the cessation of such operations to the extent they are commenced, is uncertain and could be materially adverse to investors in Floating Rate Covered Bonds referencing the relevant risk-free rate. Accordingly, any risk-free rate such as SONIA, SOFR or €STR over the term of any Floating Rate Covered Bonds referencing such rate may bear little or no relation to the historical actual or indicative data. There can further be no assurance that any of the risk-free rates such as SONIA, SOFR or €STR will be positive.

Accordingly, prospective investors in any Floating Rate Covered Bonds referencing SONIA, SOFR or €STR should be aware that the market continues to develop in relation to SONIA, SOFR and €STR as a reference rate in the capital markets and their adoption as an alternative to Sterling LIBOR, U.S. dollar LIBOR, CDOR and EURIBOR, respectively. For example, in the context of backwards-looking SONIA, SOFR and €STR rates, market participants and relevant working groups have explored different methodologies, such as daily compounding rates and weighted average rates, and forward-looking 'term' SONIA, SOFR and €STR reference rates (which seek to measure the market's forward expectation of an average SONIA, SOFR or €STR rate over a designated term) have also been, or are being, developed. The adoption of SONIA may also see component inputs into swap rates or other composite rates transferring from Sterling LIBOR or another reference rate to SONIA.

The market or a significant part thereof may adopt an application of SONIA, SOFR or €STR that differs significantly from that set out in the Conditions in the case of Floating Rate Covered Bonds issued under this Programme for which SONIA, SOFR or €STR is specified as being applicable in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). Equally, in such circumstances, it may be difficult for the Covered Bond Guarantor to find any future required Swap Provider to properly hedge its then interest rate exposure on such a Floating Rate Covered Bond should a Swap Provider need to be replaced and such Floating Rate Covered Bond at that time uses an application of SONIA, SOFR or €STR that then differs from products then prepared to be hedged by Swap Providers. Furthermore, the Issuer may in the future issue Floating Rate Covered Bonds referencing SONIA, SOFR or €STR that differ materially in terms of the interest determination provisions when compared with the provisions for such determination as set out in Condition 4.2(e), Condition 4.2(f) or Condition 4.2(h) as contained in this Prospectus. The continued development of SONIA, SOFR and €STR as an interest reference rate for the bond markets, as well as continued development of SONIA-based rates, SOFR-based rates and €STR-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA-referenced Floating Rate Covered Bonds, SOFR-referenced Floating Rate Covered Bonds or €STR-referenced Floating Rate Covered Bonds issued under the Programme from time to time.

In addition, the manner of adoption or application of SONIA reference rates, SOFR reference rates €STR reference rates in the bond markets may differ materially compared with the application and adoption of SONIA, SOFR or €STR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA, SOFR or €STR reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Floating Rate Covered Bonds referencing SONIA, SOFR or €STR. If the market adopts a different calculation method, that may adversely affect the market value of such SONIA-referenced Floating Rate Covered Bonds, SOFR-referenced Floating Rate Covered Bonds or €STR-referenced Floating Rate Covered Bonds.

Investors should carefully consider these matters when making their investment decision with respect to any such Floating Rate Covered Bonds.

The regulation and reform of "benchmarks" may adversely affect the value of Covered Bonds linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks" (including, amongst others, EURIBOR, BBSW and BKBM, each as defined below or in the Conditions of the Covered Bonds) are the subject of national, international and regulatory guidance and reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from LIBOR) and "benchmarks" remain subject to ongoing monitoring. These reforms may cause such benchmarks to perform

differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Covered Bonds linked to or referencing such a "benchmark".

In Australia, examples of reforms that are already effective include changes to the methodology for calculation of BBSW, and amendments to the Australian Corporations Act made by the Treasury Laws Amendment (2017 Measures No. 5) Act 2018 (Cth) of Australia which, among other things, enable ASIC to make rules relating to the generation and administration of financial benchmarks. On 6 June 2018, ASIC designated BBSW as a "significant financial benchmark" and made the ASIC Financial Benchmark (Administration) Rules 2018 and the ASIC Financial Benchmarks (Compelled) Rules 2018. On 27 June 2019, ASIC granted ASX Benchmarks Pty Limited a licence to administer BBSW from 1 July 2019.

The RBA has also recently amended its criteria for securities to be accepted as being eligible collateral for the purposes of any repurchase agreements to be entered into with the RBA. These include a requirement that floating rate bonds issued on or after 1 December 2022 referencing BBSW must contain at least one "robust" and "reasonable and fair" fallback rate for BBSW in the event that it permanently ceases to exist. The Australian Financial Markets Association (**AFMA**) published the "AFMA Fallback Language Template For Floating Rate Notes" on 1 November 2022 which was revised in June 2024 (the **AFMA Market Guidelines**) for voluntary use in contracts that reference BBSW to assist market participants to meet the requirements of the RBA's updated criteria, with a view to these becoming standardised provisions for BBSW-linked floating rate bond issuances. However, market participants are not required to adopt the AFMA Market Guidelines approach where the underlying securities are not intended to be repo-eligible, which has resulted in inconsistent application. Further, reference to a specific risk-free rate (such as AONIA) as a fallback for the BBSW Rate has not yet been settled at an industry level in Australia or adopted. There is therefore risk of inconsistency in the application of potential risk-free fallback rates across different products. However, the RBA is actively promoting a co-ordinated industry-agreed position on the relevant fallback rate to use. The fallback provisions relating to the BBSW Rate included in the Conditions of the Covered Bonds are based on the AFMA Proposal (the **BBSW Rate Fallback Provisions**).

In Europe, the EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of in-scope benchmarks, the contribution of input data to an in-scope benchmark and the use of an in-scope benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of in-scope "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent, recognised or endorsed).

In the UK, the UK Benchmarks Regulation, among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

In New Zealand, the Financial Markets (Derivatives Margin and Benchmarking) Reform Amendment Act 2019 (**FMRA Act**) was enacted in August 2019. When the provisions of the FMRA Act relating to financial benchmarks come into effect, they will amend the FMC Act to establish a new licensing regime for administrators of financial benchmarks. These amendments aim to ensure that New Zealand's regulatory regime for financial benchmarks (including the New Zealand Bank Bill Reference Rate (**BKBM**)) meets the equivalence requirements for the purposes of the Benchmarks Regulation.

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Covered Bonds linked to or referencing a "benchmark" which is in-scope of one or both regulations, in particular if the methodology or other terms of the "relevant benchmark" are changed in order to comply with the requirements imposed thereunder. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant "benchmark".

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

It is not possible to predict with certainty whether, and to what extent, the euro interbank offered rate (**EURIBOR**), BBSW, BKBM or any other benchmark will continue to be supported going forwards. This may cause EURIBOR, BBSW, BKBM or any other such benchmark to perform differently than they have done in the past and may have other consequences which cannot be predicted. The transition from LIBOR to SONIA or SOFR, as applicable,

from EURIBOR to €STR, from BBSW to AONIA, or from the inter-bank offered rate for any other currency to a new risk-free rate, or the elimination of EURIBOR, BBSW, BKBM or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the Conditions of the Covered Bonds, or result in other consequences, in respect of any Covered Bonds referencing such benchmark. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Covered Bonds linked to, referencing, or otherwise dependent (in whole or in part) upon, a "benchmark".

In addition, if the benchmarks are discontinued there can be no assurance that the applicable fall-back provisions under the Swap Agreements would operate to allow the transactions under the Swap Agreements to effectively mitigate interest rate risk in respect of the Covered Bonds. It should also be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Covered Bonds and/or the Swap Agreements due to applicable fall-back provisions or other matters. The consequences of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Covered Bonds.

The Bank of England (or a successor), as administrator of SONIA, may make methodological or other changes that could change the value of SONIA, including changes related to the method by which SONIA is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, or timing related to the publication of SONIA. If the manner in which SONIA is calculated is changed, that change may result in a reduction of the amount of interest payable on the relevant Covered Bonds, which may adversely affect the trading prices of such Covered Bonds. The administrator of SONIA may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of SONIA, respectively, in its sole discretion and without notice and has no obligation to consider the interests of holders of the Floating Rate Covered Bonds in calculating, withdrawing, modifying, amending, suspending or discontinuing SONIA.

Further, although the provisions of the Conditions of the Covered Bonds for determining the Rate of Interest by reference to the SONIA Compounded Index are based upon the guidance published by the Bank of England for calculating compounded SONIA rates by reference to the SONIA Compounded Index, there can be no assurance that the Bank of England's methodology for determining the SONIA Compounded Index, or its guidance for calculating compounded SONIA rates by reference to such index, will not change over time.

SOFR-referenced Floating Rate Covered Bonds may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to SOFR, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of any SOFR-referenced Floating Rate Covered Bonds may be lower than those of later-issued indexed debt securities as a result. The SOFR-referenced Covered Bonds may not be able to be sold or may not be able to be sold at prices that will provide a yield comparable to similar investments that have a developed secondary market and may consequently suffer from increased pricing volatility and market risk.

The European Central Bank (or a successor), as administrator of €STR, may make methodological or other changes that could change the value of €STR, including changes related to the method by which €STR is calculated, eligibility criteria applicable to the transactions used to calculate €STR, or timing related to the publication of €STR. If the manner in which €STR is calculated is changed, that change may result in a reduction of the amount of interest payable on the relevant Covered Bonds, which may adversely affect the trading prices of such Covered Bonds. The administrator of €STR may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of €STR, respectively, in its sole discretion and without notice and has no obligation to consider the interests of holders of the Floating Rate Covered Bonds in calculating, withdrawing, modifying, amending, suspending or discontinuing €STR.

Further, although the provisions of the Conditions of the Covered Bonds for determining the Rate of Interest by reference to the compounded €STR index are based upon the guidance published by the European Central Bank for calculating compounded €STR rates by reference to the compounded €STR index, there can be no assurance that the European Central Bank's methodology for determining the compounded €STR index, or its guidance for calculating compounded €STR rates by reference to such index, will not change over time.

Investors should also note that CDOR and BA-CDOR were permanently retired on 28 June 2024 and are no longer being calculated or published. As a result, the Issuer is no longer capable of issuing Floating Rate Covered Bonds which reference CDOR and/or BA-CDOR under this Programme.

Any such consequences could have a material adverse effect on the value of and return on any Covered Bonds linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Covered Bonds or could have a material adverse effect on the value or liquidity of, and the amount payable under, such Floating Rate Covered Bonds.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms in making any investment decision with respect to any Covered Bonds linked to or referencing a "benchmark" Please see also "*—The Conditions of certain Floating Rate Covered Bonds provide for fallback arrangements that may not operate as intended or may result in a Rate of Interest on such Covered Bonds that would be less than the original reference rate*".

The Rate of Interest on Covered Bonds which reference SONIA is only capable of being determined near the end of the relevant Interest Period

The Rate of Interest on Floating Rate Covered Bonds which reference SONIA is only capable of being determined at the end of the relevant Observation Period (as defined in Condition 4.2(e) and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Floating Rate Covered Bonds which reference SONIA to estimate reliably the amount of interest which will be payable on such Floating Rate Covered Bonds, and some investors may be unable or unwilling to trade such Floating Rate Covered Bonds without changes to their IT systems, both of which factors could adversely impact the liquidity of such Floating Rate Covered Bonds. Because of the delay between the final day on which SONIA is observed in connection with any interest determination and the related Interest Payment Date, increases in the level of SONIA which occur during such period will not be reflected in the interest payable on such Interest Payment Date, and any such increase will (if "Lag", "Lookback" or "Observation Shift" is specified as being the "Observation Method" in the applicable Final Terms) instead be reflected in the following Interest Period. Further, in contrast to Sterling LIBOR-based Floating Rate Covered Bonds, if Floating Rate Covered Bonds referencing SONIA become due and payable as a result of an event of default under Condition 9, or are otherwise redeemed early on a date which is not an Interest Payment Date, the final rate of interest payable in respect of such Floating Rate Covered Bonds shall only be determined immediately prior to the date on which the Floating Rate Covered Bonds become due and payable, and shall not be reset thereafter.

The use of SOFR as a reference rate for any SOFR-referenced Covered Bonds is subject to important limitations

SOFR is a broad U.S. Treasury repo financing rate that represents overnight secured funding transactions. As SOFR is an overnight funding rate, interest on any SOFR-referenced Covered Bonds with interest periods longer than overnight will be calculated on the basis of either the arithmetic mean of SOFR over the relevant interest period or compounding SOFR during the relevant interest period. As a consequence of this calculation method, the amount of interest payable on each interest payment date will only be known a short period of time prior to the relevant interest payment date. Covered Bondholders therefore will not know at the start of the interest period the interest amount that will be payable on any SOFR-referenced Covered Bonds.

The New York Federal Reserve notes on its publication page for SOFR that use of SOFR is subject to important limitations and disclaimers, including that the New York Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice. In addition, SOFR is published by the New York Federal Reserve based on data received from other sources. There can be no guarantee that SOFR will not be fundamentally altered in a manner that is materially adverse to the interests of the Covered Bondholders. If the manner in which SOFR is calculated is changed, that change may result in a reduction or elimination of the amount of interest payable on SOFR-referenced Covered Bonds and a reduction in the trading prices of SOFR-referenced Covered Bonds which would have an adverse effect on the Covered Bondholders who could lose part of their investment.

The interest rate on compounded SOFR-referenced Covered Bonds is based on a compounded average of daily SOFR

For each interest period, the interest rate on a series of compounded SOFR-referenced Covered Bonds will be based on a compounded average of daily SOFR, and not on daily SOFR published on or in respect of a particular date during such interest period. For this and other reasons, the interest rate on a series of compounded SOFR-referenced Covered Bonds during any interest period may not be the same as the interest rate on other investments bearing interest at a rate based on SOFR that use an alternative method to determine the applicable interest rate. Further, if daily SOFR in respect of a particular date during an interest period or observation period (if applicable) for a series of compounded SOFR-referenced Covered Bonds is negative, the inclusion of such daily SOFR in the calculation of compounded SOFR for the applicable interest period will reduce the interest rate and the interest payable on such series of compounded SOFR-referenced Covered Bonds for such interest period.

Interest payments due on a series of compounded SOFR-referenced Covered Bonds will be determined only at the end of the relevant interest period

Interest payments due on a series of compounded SOFR-referenced Covered Bonds will be determined only at the end of the relevant interest period. Therefore, holders of any series of compounded SOFR-referenced Covered Bonds will not know the amount of interest payable with respect to each interest period until shortly prior to the related interest payment date, and it may be difficult for investors in such compounded SOFR-referenced Covered Bonds to estimate reliably the amounts of interest that will be payable on each such interest payment date at the beginning of or during the relevant interest period. In addition, some investors may be unwilling or unable to trade such compounded SOFR-referenced Covered Bonds without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of any series of compounded SOFR-referenced Covered Bonds.

With respect to a series of compounded SOFR-referenced Covered Bonds using the payment delay convention or a convention for which a rate cut-off date is applicable, it will not be possible to calculate accrued interest with respect to any period until after the end of such period or the rate cut-off date, as applicable

With respect to a series of compounded SOFR-referenced Covered Bonds using the payment delay convention or a convention for which a rate cut-off date is applicable, because daily SOFR in respect of a given day is not published until the U.S. government securities business day immediately following such day, it will not be possible to calculate accrued interest with respect to any period until after the end of such period or the rate cut-off date, as applicable, which may adversely affect a holder's ability to trade such Covered Bonds in the secondary market.

The base rate for compounded SOFR-referenced Covered Bonds using the payment delay convention or a convention for which a rate cut-off date is applicable will be calculated using the daily SOFR of the relevant cut-off date. A holder of such compounded SOFR-referenced Covered Bonds will not receive the benefit of any increase in SOFR on any date subsequent to the relevant cut-off date

The formula used to determine the base rate for compounded SOFR-referenced Covered Bonds using the payment delay convention employs a rate cut-off date for the final interest period with respect to any series of Covered Bonds.

For the final interest period with respect to a series of compounded SOFR-referenced Covered Bonds using the payment delay convention, daily SOFR used in the calculation of compounded SOFR for any day from, and including, the rate cut-off date to, but excluding, the maturity date or the redemption date, if applicable, will be daily SOFR in respect of the rate cut-off date. The rate cut-off date will be five U.S. government securities business days (or such other number of U.S. government securities business days as may be specified in the applicable Final Terms) prior to the maturity date (or redemption date, if applicable).

In addition, the formula used to determine the base rate for compounded SOFR-referenced Covered Bonds for any convention using a rate cut-off date may employ, if so specified in the applicable Final Terms, such rate cut-off date for each interest period with respect to such Covered Bonds.

As a result of the foregoing, a holder of a series of compounded SOFR-referenced Covered Bonds using the payment delay convention, or a convention for which a rate cut-off date is applicable, will not receive the benefit of any increase in the level of SOFR on any date subsequent to the applicable rate cut-off date in connection with the determination of the interest payable with respect to the final interest period for an applicable series of compounded SOFR-referenced Covered Bonds using the payment delay convention or with respect to each

interest period for an applicable series of compounded SOFR-referenced Covered Bonds employing a rate cut-off date, which could reduce the amount of interest that may be payable on the applicable series of Covered Bonds.

Holders of a series of compounded SOFR-referenced Covered Bonds using the payment delay convention will receive payments of interest on a delayed basis

The interest payment dates for any series of compounded SOFR-referenced Covered Bonds using the payment delay convention with respect to interest rate determination and interest payments will be two business days (or such other number of business days as may be specified in the applicable Final Terms) after the interest period demarcation date at the end of each interest period for such series. This convention differs from the interest payment convention that has been used historically for floating-rate bonds with forward-looking interest rates based on other benchmark or market rates where interest typically has been determined at the start of an interest period and paid on a fixed day that immediately follows the final day of the applicable interest period. As a result, holders of a series of compounded SOFR-referenced Covered Bonds using the payment delay convention will receive payments of interest on a delayed basis as compared to floating-rate bonds in which they previously may have invested.

The Conditions of certain Floating Rate Covered Bonds provide for fallback arrangements that may not operate as intended or may result in a Rate of Interest on such Covered Bonds that would be less than the original reference rate

Investors should be aware that in the case of certain Floating Rate Covered Bonds, the Conditions of the Covered Bonds provide for certain fallback arrangements in the event that a published benchmark, including an inter-bank offered rate (such as EURIBOR) or another relevant reference rate (such as the BBSW Rate or a SONIA rate) ceases to exist or be published, or in the case of the BBSW Rate, a Temporary Disruption Trigger or Permanent Discontinuation Trigger occurs (as set out in the Conditions). In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Covered Bonds based on the rate which was last observed on the Relevant Screen Page or the initial Rate of Interest applicable to such Covered Bonds on the Interest Commencement Date.

Where the original benchmark for the Floating Rate Covered Bonds is the BBSW Rate, the BBSW Rate Fallback Provisions distinguish between temporary and permanent triggers affecting the BBSW Rate. If a Temporary Disruption Trigger occurs in respect of the BBSW Rate, the interest rate for any day on which that Temporary Disruption Trigger is continuing will be the interest rate determined in accordance with the Temporary Disruption Fallback which provides that, in the first instance, preference will be given to the Administrator Recommended Rate (which is a rate formally recommended for use as the replacement for the BBSW Rate by the Administrator). The second preference will be given to the Supervisor Recommended Rate (which is a rate formally recommended for use as the replacement for the BBSW Rate by the Supervisor). Finally, preference will be given to the Final Fallback Rate. In the event that a Permanent Discontinuation Trigger occurs in respect of the BBSW Rate, the rate for any Interest Determination Date which occurs on or following the applicable Permanent Fallback Effective Date will be the Fallback Rate which is determined in accordance with the Permanent Discontinuation Fallback and which may be AONIA. Investors should be aware that whilst the BBSW Rate is based on a forward-looking basis and on observed bid and offer rates for Australian prime bank eligible securities (which rates may incorporate a premium for credit risk), AONIA is an overnight, risk free cash rate and will be applied to calculate interest by compounding observed rates in arrears and the application of a spread adjustment. There can be no assurance that AONIA as described above will produce the economic equivalent of the BBSW Rate. Certain amendments may be made to the Conditions in respect of a Series of Covered Bonds without the consent of the Covered Bondholders (as further described under Condition 4.2(g)(iii) of the Conditions of the Covered Bonds) if at any time a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate (or other Applicable Benchmark Rate) and the Issuer determines that such amendments to the Conditions are necessary to give effect to the proper operation and application of the applicable Fallback Rate in the manner contemplated by Condition 4.2(g)(ii).

Investors should be aware that any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Covered Bonds or could have a material adverse effect on the value or liquidity of, and the amount payable under, such Floating Rate Covered Bonds.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation, the UK Benchmarks Regulation or any of the international or national

reforms and the possible application of the benchmark replacement provisions of the Covered Bonds in making any investment decision with respect to any Covered Bonds linked to or referencing a "benchmark".

RISK FACTORS RELATING TO THE ISSUER, INCLUDING THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE COVERED BONDS

Macro-economic risks

The Bank's and the MBL Group's business and results of operation have been and may, in the future, be adversely affected by financial markets, global credit and other economic and geopolitical challenges generally

The MBL Group's businesses operate in or depend on the operation of global markets, including through exposures in securities, loans, derivatives and other activities. The MBL Group may be adversely affected by various factors it cannot control, including uncertainty and volatility in global credit markets, liquidity constraints, increased funding costs, the level and volatility of interest rates, constrained access to funding, uncertainty concerning government shutdowns and debt ceilings, changes in government spending due to geopolitical events, fluctuations in equity and capital market activity, supply chain disruptions and labour shortages. These factors could also adversely affect the MBL Group's access to and costs of funding and in turn may negatively impact its liquidity and competitive position.

Global markets may also be adversely affected by climate change, extreme weather events or natural disasters, widespread health emergencies, cyber-attacks or campaigns, existing or emerging military conflicts (e.g. Russia-Ukraine, Israel-Palestine, the war between the United States/Israel and Iran and other conflicts in the Middle East), terrorism or other economically-significant external events such as increasing trade protectionism, tensions between the U.S. and China and concerns about China's intentions regarding Taiwan.

Existing or emerging conflicts have caused, and may continue to cause, supply shocks in energy, food and other commodities markets, disruption to global shipping lanes and supply chains, increased inflation, cybersecurity risks, increased volatility in commodity, currency and other financial markets and heightened geopolitical tensions. In particular, the ongoing conflict in the Middle East between the United States/Israel and Iran has significantly impacted and is likely to continue impacting shipping activity, particularly for oil and LNG, and supply chains. These events have led to increased energy prices and price volatility, increasing inflation both globally and in Australia. A prolonged disruption of oil and LNG shipping as a result of this conflict may lead to a broader economic slowdown, negatively impacting the MBL Group's businesses and results of operations. The extent and duration of the conflict in the Middle East, the likelihood of future escalations, the extent and impact of existing and future sanctions, the potential blockade of key trade corridors, other market disruptions and volatility, and the result of any diplomatic negotiations are highly uncertain. As a result, the MBL Group has limited ability to fully assess the potential impact of this war on its operations and financial performance.

The dynamic and constantly evolving sanctions environment continues to drive heightened sanctions compliance risk and complexity in applying control frameworks across the market. New or increased sanctions, the lifting of sanctions or a divergence in sanctions regimes between the authorities with jurisdiction over the MBL Group could continue to disrupt regional and global energy, commodities and financial markets, potentially impacting the MBL Group's businesses and results of operations.

The trade barriers that have been imposed or threatened over the past year have disrupted, and are likely to continue to disrupt, global trade flows and economic growth and increase inflation and market volatility. The impact of these trade barriers has been exacerbated by unpredictable announcements, frequent revisions, legal challenges and short time frames for implementation. These trade barriers have increased and may continue to increase volatility in financial markets, including equity, currency and interest rate markets, adversely affect business investment, negatively impact investor confidence, lead to the re-direction of exports, reduce co-operation and escalate tensions between the countries targeted by trade barriers and result in lower economic growth in both the countries impacted by trade sanctions and globally, any of which may negatively impact the Bank's and the MBL Group's business and results of operations.

Actions by central banks, including changes to interest rate targets, balance sheet management and government-sponsored lending facilities, are beyond the MBL Group's control and are difficult to predict. Sudden changes in monetary policy, including responses to increased inflation or changes to fiscal or trade policies, could lead to financial market volatility, affect market interest rates and the value of financial instruments and other assets and liabilities, and impact the MBL Group's customers.

The MBL Group's trading income may be adversely affected during times of subdued market conditions and client activity. Increased market volatility can lead to trading losses or cause the MBL Group to reduce the size of its trading activities to limit its risk exposure.

Market conditions and declines in asset values may cause the MBL Group's clients to transfer their assets out of the MBL Group's funds, other products or their brokerage accounts, resulting in reduced net revenues.

The MBL Group's realisations from asset sales may be less than anticipated in the event economic conditions deteriorate. These conditions may also negatively impact the MBL Group's ability to exit investment positions due to decreased transaction activity. If financial markets decline, revenues from the MBL Group's products may decrease. In addition, increased volatility may reduce the value of the MBL Group's assets and increase the MBL Group's capital requirements. Increased capital requirements may require the MBL Group to raise additional capital at times, and on terms that are less favourable than the MBL Group would achieve during stable market conditions.

Sudden declines and significant volatility in asset prices may substantially reduce or eliminate the trading markets for certain assets, making it difficult to sell, hedge or value them. If the MBL Group cannot sell or hedge these assets, its ability to limit losses is reduced. The MBL Group may also have difficulty obtaining insurance that depends on asset values, or obtaining insurance on appropriate terms, as a result of this volatility. Difficulty in valuing assets may also negatively affect the MBL Group's capital, liquidity or leverage ratios, increase funding costs and require the MBL Group to hold additional capital.

Concerns about, or defaults by, one or more institutions or a sovereign entity could trigger market-wide liquidity problems, losses or defaults by other institutions, a drop in the value and liquidity of financial instruments and disruptions to capital markets that may further affect the MBL Group. Negative perceptions of a financial institution's soundness can lead counterparties to limit their exposure and depositors to withdraw their deposits, further weakening the institution. Technology such as social media (and the speed at which information is disseminated) and online banking platforms mean that this can happen more quickly than in the past. Bank collapses in the United States and Europe in 2023 have heightened these concerns. The commercial soundness of many financial institutions may be closely interrelated due to credit, trading, clearing or other relationships among financial institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, hedge funds and exchanges that the MBL Group deals with daily. If any of the MBL Group's counterpart financial institutions fail, the MBL Group's exposures to them may lose some or all their value. These events may have a serious adverse effect on the MBL Group's liquidity, profitability and value.

The Bank's and the MBL Group's ability to operate their businesses could be impaired if their liquidity is constrained

Liquidity is essential to the Bank's and the MBL Group's business. Financial institutions have failed in the past due to lack of liquidity. Inadequate liquidity, or even the perception thereof, poses a serious risk to their ability to operate. The Bank's and the MBL Group's liquidity may be impacted by factors such as deposit losses, market disruptions, macroeconomic shocks, increases to liquidity and regulatory capital requirements due to legal and regulatory changes, restrictive central bank actions such as quantitative tightening that may reduce monetary supply and increase interest rates, the insolvency of a major market participant or systemically important financial institution, any idiosyncratic event impacting the Bank's or the MBL Group's reputation and/or business, any other unexpected cash outflows or higher-than-anticipated funding needs. Uncertainty around these factors could undermine confidence in the Bank and the MBL Group or the financial system as a whole.

Factors beyond the Bank's and the MBL Group's control, such as periods of market stress, declining investor confidence or financial market illiquidity may increase their funding costs and reduce their access to conventional funding sources. Regulators may impose increased liquidity requirements on financial institutions, which could require the Bank and the MBL Group to hold larger amounts of highly liquid assets and/or constrain the Bank's and the MBL Group's ability to raise funding or deploy capital. The Bank's and the MBL Group's ability to liquidate assets may be impaired if there is not a liquid market for them, or other market participants are seeking to sell similar assets at the same time, as is likely to occur in a liquidity or other market crisis or in response to changes in law or regulation.

If the Bank's and the MBL Group's access to stable and lower cost sources of funding, such as customer deposits and the equity and debt capital markets, is reduced, they may need to seek alternative funding that could be more

expensive or be limited in availability in order to satisfy their liquidity coverage and net stable funding requirements.

Failing to effectively manage the Bank's and the MBL Group's liquidity could constrain their ability to fund or invest in their businesses, adversely affecting their operations, prospects, financial performance or financial condition.

Failure of the Bank or the MBL Group to maintain their credit ratings and those of their subsidiaries could adversely affect their cost of funds, liquidity, competitive position and access to capital markets

The credit ratings assigned to the Bank or the MBL Group and certain subsidiaries by rating agencies are based on their evaluation of a number of factors, including the MBL Group's ability to maintain stable and diverse earnings, strong capital ratios, strong credit quality and risk management controls, funding stability and security, disciplined liquidity management as well as its key operating environments, including the availability of systemic support in Australia. A credit rating downgrade could also result from the occurrence of the other risks identified in this section or by other events that are not related to the MBL Group where there has been no deterioration in its business, such as changes to ratings methodology or criteria.

Failure to maintain their current credit ratings could (i) adversely affect the Bank's or the MBL Group's funding costs, liquidity, competitive position, the willingness of counterparties to transact with the MBL Group and its ability to access capital markets; or (ii) trigger the Bank's or the MBL Group's obligations under certain bilateral provisions in some of their trading and collateralised financing contracts. These provisions may permit counterparties to terminate contracts with the MBL Group or require it to post collateral. Such terminations could cause losses and impair the Bank's and the MBL Group's liquidity by requiring them to find other sources of financing or to make significant cash payments or securities movements.

Changes and increased volatility in currency exchange rates may adversely impact the MBL Group's financial results and its financial and regulatory capital positions

Although the Financial Statements (as defined in the "Documents Incorporated by Reference" section) are presented in Australian Dollars, a significant portion of the MBL Group's operating income and expenses arise from its offshore business activities, which are conducted in a variety of currencies. Changes in the exchange rate between the Australian Dollar and other currencies can impact the MBL Group's financial statements and the economics of its business.

Although the MBL Group seeks to carefully manage its exposure to foreign currencies, in part through matching assets and liabilities in local currencies and using foreign exchange forward contracts to hedge its exposure, the MBL Group is still exposed to exchange risk, which is heightened during periods of significant currency volatility. If the MBL Group is unable to hedge or has not completely hedged its exposure to currencies other than the Australian Dollar, the MBL Group's reported profit and foreign currency translation reserve could be affected.

In addition, because the MBL Group's regulatory capital position is assessed in Australian Dollars, its capital ratios may be adversely impacted by a depreciating Australian Dollar, which would increase the capital requirement for assets denominated in currencies other than Australian Dollars.

The Bank's and the MBL Group's businesses are subject to the risk of loss associated with price volatility in the equity markets and other markets in which they operate

Changes in interest rates, exchange rates, equity and commodity prices, credit spreads and other market exposures could reduce the value of financial instruments and other financial assets that the MBL Group carry at fair market value and reduce its advisory and other fee income. These changes may result from changes in economic conditions, monetary and fiscal policies, market liquidity, availability and cost of capital, international and regional political events, acts of war or terrorism, corporate, political, financial or other scandals that reduce investor confidence, natural disasters or pandemics or a combination of these or other factors.

The Bank and the MBL Group trade in foreign exchange, interest rate, commodity, bullion, energy, securities and other markets and are an active price maker in the derivatives market. Certain financial instruments that the Bank and/or the MBL Group hold and contracts they enter are complex, and these structured products often lack readily available markets in times of liquidity stress. Additionally, several markets the Bank and the MBL Group trade in, in particular energy markets, may experience heightened volatility due to uncertainty and supply chain disruptions from ongoing conflicts and the implementation or proposed implementation of new trade barriers.

Changes in equity market prices or interest rates may reduce the value of the Bank's and the MBL Group's clients' portfolios, which in turn may reduce the fees they earn for managing assets in certain parts of their business. Higher interest rates or attractive prices for other investments could cause the Bank's and the MBL Group's clients to transfer their assets out of their funds or other products.

Interest rate risk arises from a variety of sources, including mismatches between the repricing periods of assets and liabilities. As a result of these mismatches, movements in interest rates can affect earnings or the value of the MBL Group. See also "*Risk Factors – Risk factors relating to the Issuer, including the ability of the Issuer to fulfil its obligations under the Covered Bonds – Macro-economic risks – Inflation has had, and could continue to have, a negative effect on the Bank's and the MBL Group's business, results of operations and financial condition*".

The Bank's and the MBL Group's businesses are subject to risks including trading losses, risks associated with market volatility and the risks associated with their physical commodities activities

The Bank's and the MBL Group's commodities business primarily involves transacting with their clients and market counterparties to assist clients with managing risks related to their commodity exposures. The Bank and the MBL Group may also enter commodity transactions on their own behalf. These transactions often expose the Bank and the MBL Group to price movements in the underlying commodities. The Bank and the MBL Group employ risk management techniques including full or partial hedging to manage these risks. These techniques may not always be effective for a variety of reasons, including unforeseen events occurring outside their risk modelling. For example, some products may have limited market liquidity and access to derivative markets may become constrained during periods of volatility, increasing the cost of hedging instruments. Counterparty risk may also be elevated at times of high volatility because counterparties may face financial stress, increasing the Bank's and the MBL Group's exposure to potential losses if counterparties default or fail to perform their obligations. See also "*Risk Factors – Risk factors relating to the Issuer, including the ability of the Issuer to fulfil its obligations under the Covered Bonds – Counterparty credit risk – Failure of external parties to honour their commitments in connection with the Bank's and the MBL Group's trading, lending and other activities may adversely impact their business*".

While most of the Bank's and the MBL Group's commodities markets activities involve financial exposures, they will also have physical positions from time to time which expose them to the risks of owning and/or transporting commodities, some of which may be hazardous. Commodities involved in the Bank's and the MBL Group's intermediation activities and investments are also subject to the risk of unforeseen or catastrophic events beyond their control, including accidents and failures with refining, transportation and storage infrastructure, determinations made by exchanges, extreme weather events or other natural disasters, leaks, spills or release of hazardous substances, disruptions to global supply chains and shipping operations, changes to legislation and regulation, government action (for example, energy price caps or emergency measures) or geopolitical events, as well as emerging issues such as sustained refined fuel shortages that may create sourcing challenges and heighten delivery and contractual risks. These events may prevent the Bank and the MBL Group from performing under their agreements with clients, may impair their operations or financial results and may result in litigation, regulatory action, negative publicity or other reputational harm. While the Bank and the MBL Group seek to insure against potential risks, insurance may be uneconomic to obtain, inadequate to cover all losses or unavailable for some risks. There may also be substantial costs in complying with extensive and evolving laws and regulations relating to the Bank's and the MBL Group's commodities and risk management activities and investments, including energy and climate change laws and regulations worldwide. Increasingly complex sanctions regimes worldwide have increased risk and uncertainty in some areas of the commodities sector, by prohibiting the continuation of, or requiring significant restructuring of, large and complex transactions and potentially affecting planned exit strategies. See also "*Risk Factors — Risk factors relating to the Issuer, including the ability of the Issuer to fulfil its obligations under the Covered Bonds – Legal and regulatory risks – The MBL Group is subject to the risk of loss as a result of not complying with laws governing financial crime, including sanctions*".

Funding constraints of investors may impact the Bank's and/or the MBL Group's income

The Bank and the MBL Group generate a portion of their income by selling assets to external parties. If buyers cannot obtain financing to purchase assets the Bank and/or the MBL Group are looking to sell, the Bank and/or the MBL Group may be required to hold these assets for longer than they intended or sell them at lower prices than they expected. This could reduce their return on investment and require funding for periods longer than anticipated.

Inflation has had, and could continue to have, a negative effect on the Bank's and the MBL Group's business, results of operations and financial condition

While inflation has fallen from the elevated levels seen between 2020 and 2023, inflation levels remain above central bank targets in many economies, with recent events in the Middle East likely to further increase inflation in the short term. Elevated inflation may result in faster than normal increases in labour and other operating costs, putting pressure on the MBL Group's expenses. Central bank actions in response to elevated inflation could slow economic growth, drive further financial market volatility and increase the risk of recession. Any combination of these factors could adversely affect the MBL Group's clients, businesses and results of operations.

The MBL Group could suffer losses due to climate change

The MBL Group's businesses could also suffer losses due to climate change, which is a driver of both financial and non-financial risks. Climate change related impacts include physical risks from changing climatic conditions which could result from increased frequency and/or severity of adverse weather events. These events could disrupt the MBL Group's operations or the operations of customers or external parties on which the MBL Group rely. They could also impact the ability of the MBL Group's clients or customers to repay their obligations, reduce the value of collateral, negatively impact asset values and result in other effects.

Climate change creates transition risks, such as changes to laws and regulations, technology development and disruptions and changes in consumer and market preferences towards low carbon goods and services. These factors could restrict the scope of the MBL Group's existing businesses, limit the MBL Group's ability to pursue certain business activities and offer certain products and services, amplify credit and market risks, negatively impact asset values, result in litigation, regulatory scrutiny and/or action, negative publicity or other reputational harm and/or otherwise adversely impact the MBL Group, its business or its customers.

Climate risks can also arise from inconsistencies and conflicts in how climate policy and financial regulation is implemented in the regions where the MBL Group operates, including initiatives with extraterritorial effect. Legislative or regulatory uncertainties and changes are also likely to increase regulatory, compliance, credit, reputation and other risks and costs.

The MBL Group's ability to meet its climate-related goals, targets and commitments is subject to risks and uncertainties, many of which are outside of the MBL Group's control. These include technology advances, public policies and challenges related to capturing, verifying, analysing and disclosing emissions and climate-related data. Failure to effectively manage these risks could adversely affect the MBL Group's business, prospects, reputation, financial performance or financial condition.

Legal and regulatory risks

Many of the Bank's and the MBL Group's businesses are highly regulated and they could be adversely affected by temporary and permanent changes in law, regulations and regulatory policy

The MBL Group operates businesses across multiple jurisdictions and sectors that are regulated by multiple regulators. Some Macquarie Group entities, businesses and assets are subject to specific industry regulations. The MBL Group's businesses include an "authorised deposit-taking institution" (**ADI**) in Australia (regulated by APRA), a credit institution in Ireland (regulated by the Central Bank of Ireland), bank branches in the UK, the Dubai International Finance Centre and Singapore, and representative offices in the United States, South Africa, Brazil and Switzerland. Banking regulations vary by country but generally aim to protect both depositors and the banking system, not holders of the Bank's securities or creditors. As a diversified financial institution, many of the MBL Group's businesses are also subject to financial services regulation other than prudential banking regulation, as well as laws, regulations and oversight specific to particular industries. Failure to comply with any laws or regulations could adversely affect its business, prospects, reputation or financial condition.

Regulatory agencies and governments frequently review and revise banking and financial services laws, security and competition laws, fiscal laws and other laws, regulations and policies, including fiscal and trade policies, and the manner in which they enforce such laws. In particular, the laws and regulations related to privacy, information security and emerging technologies, such as artificial intelligence (**AI**), are rapidly evolving across jurisdictions. Any changes, including in the interpretation or implementation of laws, regulations or policies, could substantially affect the Bank and the MBL Group, their businesses, the products and services the Bank and the MBL Group offer (and their potential liability in respect of such products and services), the value of their assets, the entities through which they conduct their business or may have unintended consequences or impacts across the Bank's and the MBL Group's business. Regulatory changes may result in more stringent liquidity and capital adequacy

requirements, increased tax burdens generally or on financial institutions or transactions, increased compliance costs, limits on the types of financial services and products that the MBL Group can offer and/or increased competition, as well as changes to prudential regulatory requirements. Global economic conditions and increased scrutiny of governance, culture, remuneration and accountability in the banking sector have led to increased supervision and regulation and may lead to further significant changes. Health, safety, environmental and social laws and regulations can also change rapidly and significantly. Any adverse health, safety, environmental or social event, or changes to relevant laws or regulations or their enforcement could impact operations and/or result in material expenditures.

The Bank and the MBL Group have invested in renewable energy and other low-carbon technology projects and provide climate-related solutions (including capital and financing, risk management, and physical execution and logistics services across the renewable energy, clean fuels and critical minerals sectors) as part of their lending, trading, derivatives and other businesses to support their clients to decarbonise. Various governments and other funding agencies have provided subsidies and other support to reduce the cost of capital for these projects. However, political, economic or social pressures could lead to a reduction or the abandonment of government support and subsidies for the energy transition. If this happens, the Bank, the MBL Group and their clients may be unable to generate adequate returns from these projects and the market for the Bank and the MBL Group's climate-related solutions may be significantly reduced, negatively impacting the Bank's and the MBL Group's business, results of operations and operational strategies.

In some countries in which the MBL Group does business or may in the future do business, particularly in emerging markets, the laws and regulations are uncertain and evolving, and regulatory requirements or expectations may be difficult for the MBL Group to determine. If the MBL Group fails to comply with local laws and regulations, it could have a significant and negative effect on its businesses and its reputation.

The quantity and complexity of regulation and regulatory expectations continues to grow, often requiring the MBL Group to make complex judgments, which increases the risk of non-compliance. Some regulatory changes involve multiple jurisdictions adopting a coordinated approach or certain jurisdictions expanding the territorial reach of their regulation. Future changes are unpredictable, beyond the Bank's and the MBL Group's control and may create conflicting requirements. This could result in additional legal and compliance expenses and changes to their business practices that adversely affect their profitability.

APRA may introduce new prudential regulations or modify existing regulations, including those that apply to the Bank as an ADI. Any such event could result in changes to the organisational structure of the MBL Group and/or the Macquarie Group and adversely affect the MBL Group.

The Bank and its subsidiaries are subject to laws and regulations that authorise regulatory bodies to block or reduce the flow of funds from those subsidiaries to the Bank. Such restrictions or regulatory action could impede the Bank's access to funds to make payments on its obligations, including debt obligations or dividend payments. See "*Macquarie Bank Limited – Regulatory Oversight and Recent Developments*" for more information on the regulatory developments affecting the Macquarie Group, including the Bank.

The MBL Group is subject to the risk of loss as a result of not complying with laws governing financial crime, including sanctions

The MBL Group operates globally under laws and regulations relating to corrupt and illegal payments, counter-terrorism financing, anti-bribery and corruption and anti-money laundering, as well as laws, sanctions and economic trade restrictions relating to doing business with certain individuals, groups and countries. The geographical diversity of the MBL Group's operations, employees, clients, customers, vendors and other external parties that it deals with, increases the risk that the MBL Group may violate financial crime regulation. Emerging financial crime risk typologies may make it harder to track the movement of funds, increasing the risk of breaching laws and sanctions. The increasing use of advanced technologies, including AI, by criminal actors may further increase the sophistication, scale and speed of fraud, money laundering and sanctions-evasion activities, making them more difficult to detect and prevent. The MBL Group's compliance depends on its ability to detect and report suspect transactions and maintain appropriate controls and oversight. Additionally, financial crimes and sanctions regimes are complex, constantly evolving, and often inconsistent across countries. Any compliance failure could adversely affect the MBL Group's business activities and investments, as well as expose the MBL Group to losses, enforcement risk and reputational harm.

A failure to comply with these requirements and expectations, even if inadvertent, could subject the MBL Group to significant penalties (including criminal liability), revocation, suspension, restriction or variation of operating

licences, reputational damage, a breach of its contractual arrangements, litigation by external parties (including potentially class actions) or limitations on the MBL Group's ability to do business.

Amendments to the Australian Anti-Money Laundering and Counter-Terrorism Financing (**AML-CTF**) regime came into effect on 31 March 2026. While the MBL Group is updating its policies, procedures and controls to comply with this new regime, full implementation will require a multi-year implementation programme, including complex technology upgrades to consumer due diligence and reporting infrastructure. As a result, there is a risk that the MBL Group's implementation programme (in whole or in part) or timeframes will not be adequate, or that the implementation programme will not achieve the intended compliance outcomes. If this occurs, the MBL Group may be subject to regulatory scrutiny or enforcement action in relation to inadequate compliance with the new reforms. A failure to adequately update the MBL Group's systems and processes to address the evolving complexity of financial crime risk could result in a breach of financial crime laws, which may result in substantial financial penalties and reputational damage, either of which could materially adversely impact the MBL Group. For more information about these amendments, see "*Macquarie Bank Limited — Regulatory Oversight and Recent Developments — APRA Regulatory Developments — Other developments in Australia — Australian AML-CTF reforms*".

The Bank and the MBL Group may be adversely affected by increased governmental and regulatory scrutiny or negative publicity

Governmental scrutiny of the financial sector as well as the MBL Group's specific business operations, capital, liquidity, financial and non-financial risk management and other matters from regulators, legislative bodies and law enforcement agencies has increased dramatically in recent years. Negative political and public sentiment regarding financial institutions has resulted in significant adverse press coverage. In some cases, increased regulatory scrutiny has led to enforcement actions and litigation as well as adverse statements by regulators. Responding to and addressing such matters, regardless of the outcome, is time-consuming, expensive, can adversely affect investor confidence and can divert the time and effort of the MBL Group's staff (including senior management) from their business.

Investigations, inquiries, penalties and fines sought by regulatory authorities have increased substantially in recent years, with regulators exercising enhanced enforcement powers in commencing enforcement actions and advancing or supporting legislation targeted at the financial services industry. These regulatory actions are also common in other industries in which the MBL Group's businesses operate. If the MBL Group is subject to adverse regulatory findings, the financial penalties could have a material adverse effect on its results or operations. Adverse publicity, governmental scrutiny and legal and enforcement proceedings can also have a negative impact on the MBL Group's reputation with clients and on the morale and performance of its employees.

New or changing government rules and policies may result in government or public scrutiny of the MBL Group's business in ways the MBL Group has not previously experienced, including in areas such as employment practices and its association with groups and initiatives focused on environmental and social goals. The MBL Group's efforts to comply with rules and norms across all of the jurisdictions in which it operates may expose it to legal risk and criticism from governments and other stakeholders and harm its reputation.

Litigation and regulatory actions may adversely impact the Bank's and the MBL Group's results of operations

The Bank and the MBL Group may be subject to material litigation and regulatory actions, for example, as a result of inappropriate documentation of contractual relationships, class actions or regulatory breaches, which could adversely impact their results of operations and financial condition or their reputation. The Bank and the MBL Group entities regularly obtain legal advice and make provisions, as deemed necessary. There is a risk that any losses may be larger than anticipated or provided for, or that additional litigation, regulatory actions or other contingent liabilities may arise. Even where monetary damages are small, an adverse finding could harm the Bank's and the MBL Group's reputation or brand and adversely impact their business.

Counterparty credit risk

Failure of external parties to honour their commitments in connection with the Bank's and the MBL Group's trading, lending and other activities may adversely impact their business

The Bank and the MBL Group are exposed to potential losses if an individual, counterparty or issuer does not honour its contractual obligations. The Bank and the MBL Group are also exposed to concentration risk arising from large individual exposures or concentrations by industry or country. The Bank and the MBL Group assume counterparty credit risk through their lending, trading, derivatives and other businesses where they rely on external

parties to satisfy their financial obligations to them in full and on time. The Bank's and the MBL Group's recovery of the value of the resulting credit exposure may be adversely affected by factors such as the counterparty's financial condition, the value of collateral they hold and the market value of counterparty obligations they hold. Changes in sanctions laws may affect the credit condition of their counterparties, with those whose businesses were developed around the ability to trade in or utilise now-sanctioned commodities more likely to be negatively affected. A period of low or negative economic growth, changes in market conditions or stressed or volatile markets and/or a rise in unemployment could adversely impact the ability of the Bank's and the MBL Group's retail and/or commercial borrowers or counterparties to meet their financial obligations and negatively impact the Bank's and the MBL Group's credit portfolio. Borrowers may be negatively impacted by inflation, resulting in drawdowns of savings or increases in household debt. Higher interest rates, which have increased debt servicing costs for some businesses and households, may adversely impact credit quality, particularly in a period of low or negative economic growth. If the macroeconomic environment worsens, the Bank's and the MBL Group's credit portfolio and allowance for credit losses could be adversely impacted. Please refer to Note 30 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Prospectus for details on the concentration of credit risk by significant geographical locations and counterparty types. The Bank and the MBL Group are also subject to the risk that their rights against external parties may not be enforceable in all circumstances and jurisdictions, which may result in losses.

The Bank and the MBL Group may experience impairments in their loans and other assets

The Bank and its subsidiaries recorded A$358 million of credit and other impairment charges for the financial year ended 31 March 2026, including A$291 million for net credit impairment charges, and A$67 million for net other impairment charges on interests in associates and joint ventures, intangible assets and other non-financial assets. Credit and other impairments may be required in future periods depending upon the credit quality of the Bank's and the MBL Group's counterparties or if the market value of assets similar to those held were to decline. Credit and other impairment charges may also vary following a change to the inputs or forward-looking information used in the determination of expected credit losses. Please refer to Note 7 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Prospectus for further information on the determination of expected credit losses.

Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, making them very difficult to sell, hedge or value. If the Bank and the MBL Group cannot sell, hedge or value assets, their ability to limit losses and the difficulty in valuing assets may negatively affect their capital, liquidity or leverage ratios and increase their funding costs and require them to maintain additional capital.

Operational risks

The Bank's and the MBL Group's ability to retain and attract qualified employees is critical to the success of their business and the failure to do so may materially adversely affect their performance

The Bank's and the MBL Group's employees are critical to their success. The Bank's and the MBL Group's continued ability to compete effectively in their businesses and to expand into new business areas and geographic regions depends on their ability to retain and motivate their existing employees and attract new employees. Competition for qualified employees has historically been intense within the financial services industry and from businesses outside the financial services industry, such as professional service firms, hedge funds, private equity funds, commodity trading houses and technology firms.

Remuneration costs required to attract and retain employees may increase and the competitive market for talent may further intensify. Recent employment conditions have made the competition to hire and retain qualified employees more challenging and costly, particularly for mid-to-senior level employees with specialised capabilities. Attrition rates may also be impacted by factors such as changes in worker expectations, including an increased demand for remote work options, flexibility and opportunities for career growth.

To attract and retain qualified employees, the Bank and the MBL Group must remunerate at or above market levels. As a result, employee remuneration is typically the MBL Group's greatest expense as its performance-based remuneration has historically been cash and equity based and highly variable. Recent market events have increased regulatory and public scrutiny of corporate remuneration policies and the establishment of criteria against which industry remuneration policies may be assessed. As a regulated entity, the Bank may be subject to limitations on remuneration practices (which may or may not affect its competitors). These limitations may require

the Bank and the MBL Group to further alter their remuneration practices in ways that could adversely affect their ability to attract and retain qualified and talented employees.

Rapid advances in technology, such as digital automation and AI, may change the composition of the Bank's and the MBL Group's workforce by reducing the need for some roles and increasing demand for more complex or specialised capabilities, particularly in digital architecture and engineering, data and analytics and risk management, paired with higher order human capabilities such as judgement, problem solving, leadership and ethical decision making. These advances are likely to drive increased competition for candidates with these specialised capabilities at all levels. As a result, these advances could require the Bank and the MBL Group to manage workplace displacement and spend more on employee training and recruitment, especially for high demand skills and talent segments. If the Bank and the MBL Group are unable to effectively manage these processes, their business and operations may be adversely affected.

Current and future laws (including laws relating to immigration and outsourcing) may restrict the Bank's and the MBL Group's ability to move responsibilities or employees between jurisdictions. This may impact the Bank's and the MBL Group's ability to pursue business and growth opportunities or potential efficiencies.

The Bank and the MBL Group may incur financial loss, adverse regulatory consequences or reputational damage due to inadequate or failure in internal or external operational systems and infrastructures, people and processes

The Bank's and the MBL Group's businesses depend on daily processing and monitoring of a large number of transactions, many of which are highly complex, across numerous and diverse markets in many currencies. While the Bank and the MBL Group employ a range of risk monitoring and risk mitigation techniques, the techniques and judgments that accompany their application cannot anticipate every economic and financial outcome or the specifics and timing of such outcomes. As a result, the Bank and the MBL Group may incur losses. There can be no assurance that the risk management processes and strategies that the Bank and the MBL Group have developed will adequately anticipate or be effective in addressing market stress or unforeseen circumstances. For a further discussion of the Bank's and the MBL Group's risk management policies and procedures, please refer to Note 30 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Prospectus.

The Bank and the MBL Group face the risk of operational failure, termination or capacity constraints of counterparties, pricing publications, clearing agents, exchanges, clearing houses or other financial intermediaries the Bank and the MBL Group use to facilitate their securities, commodities or derivatives transactions. As the Bank's and the MBL Group's interconnectivity with their clients and counterparties grows, failures in their systems pose increasing risk to the Bank and the MBL Group. Any such failure, termination or constraint could adversely affect the Bank's and the MBL Group's ability to effect or settle transactions, service their clients, manage their exposure to risk, meet their obligations to counterparties or expand their businesses. It could also lead to financial loss or liability to their clients and counterparties, impairment of their liquidity, disruption of their businesses, regulatory intervention or reputational damage.

As the Bank's and the MBL Group's client base, business activities and geographical reach expands, developing and maintaining their operational systems and infrastructure becomes increasingly challenging. The Bank and the MBL Group must continuously update these systems to support their operations and growth, which is expensive and carries integration risk. The Bank's and the MBL Group's financial, accounting, data processing or technology assets may fail or be disrupted by events that are wholly or partially beyond their control, such as a malicious cyber-attack, a disruption event at an external supplier or the discontinuation of a service by an external supplier.

The MBL Group's businesses manage a large volume of sensitive data and rely on the secure processing, transmission, storage and retrieval of confidential, proprietary and other information in their data management systems and technology, and those of the MBL Group's external providers. Inadequate data governance, management and control across the data lifecycle, which includes the capture, processing, retention, publication, use, archiving and disposal of data, could lead to poor decisions and breaches of data management regulatory obligations. This may cause the MBL Group to incur losses or lead to regulatory actions. The Bank and the MBL Group are subject to privacy and data management laws, rules and regulations in multiple jurisdictions, which regulate their privacy policies and the disclosure, collection, use, sharing and safeguarding of personally identifiable information of certain parties, such as their employees, customers, suppliers, counterparties and other external parties. A violation of these privacy and data management laws, rules and regulations could result in litigation, regulatory fines and enforcement actions. Furthermore, a breach, failure or other disruption of the Bank's and the MBL Group's data management systems and technology, or those of their external service

providers, could lead to the unauthorised or unintended release, misuse, alteration, loss or destruction of personal or confidential data about their customers, employees or other external parties in their possession. A purported or actual unauthorised access or unauthorised disclosure of personal or confidential data could materially damage the Bank's and the MBL Group's reputation and expose the Bank and the MBL Group to liability for violations of privacy and data protection laws.

The Bank and the MBL Group are exposed to the risk of loss resulting from the failure of their internal or external processes and systems, such as from the disruption or failure of their IT systems, or from external suppliers and service providers, including public and private cloud-based technology platforms. Such operational risks may include theft, fraud, poor employment practices, inadequate workplace safety, improper business practices, mishandling of client moneys or assets, client suitability and servicing risks, product complexity and pricing, valuation risk or improper recording, evaluating or accounting for transactions or breaches of their internal policies and regulations. There is increasing regulatory and public scrutiny concerning the appropriate management of data and the resilience of outsourced and offshore activities and their associated risks. If the Bank and the MBL Group fail to manage these risks appropriately, they may incur financial losses, regulatory intervention, penalties and/or damage to their reputation which may impact their ability to attract and retain clients.

The Bank and the MBL Group are exposed to the risk of loss and adverse impact to their external stakeholders resulting from the behaviour, actions or omissions by individuals employed by, or on behalf of, them or who represent them or their business activities, including when providing financial products and services to clients, dealing with counterparties and operating in markets globally. Conduct risks can arise from lack of reasonable care and diligence or intentional malfeasance, fraud and other misconduct, including the misuse of company and client information in connection with insider trading or for other purposes. Even if promptly discovered and remediated, this can result in customer, client or market harm, reputational damage and material losses and liabilities for the Bank and the MBL Group. Whilst the Bank and the MBL Group have a range of controls and processes to minimise their conduct risk exposure and identify and manage employee and firm behaviour, in line with their risk management policies, it is not always possible to deter or prevent misconduct. The controls and processes of the Bank and the MBL Group to prevent and detect this activity may not be effective in all cases, which could result in customer, client or market harm, financial losses, regulatory intervention and reputational damage.

The Bank's and the MBL Group's use of AI tools, including those developed internally, may expose them to new or heightened risks.

The MBL Group has developed and deployed AI tools, including generative AI and AI agents, for both internal use and for use by its customers, and anticipates these tools will play an increasing role within its business in the future. Inadequate development and deployment practices, such as poor design, insufficient testing, inadequate safeguards or inappropriate reliance on these tools, could result in adverse consequences, such as customers relying on inaccurate or incomplete outputs in making financial decisions, which could negatively impact the MBL Group's reputation and its results of operation and may also lead to regulatory action. The use of AI tools may also increase the MBL Group's risk of cyberattacks, system manipulation or data loss if the tools are not designed or implemented with appropriate safeguards. In addition, compliance with new or changing laws, regulations or industry standards relating to AI may impose additional operational risks and costs. Failure to sufficiently manage these risks could expose the MBL Group to adverse legal, regulatory or reputational consequences.

The use of third-party AI tools also exposes the MBL Group to risks arising from its development and training methods, including the potential inclusion of unauthorised material in its training data, over which the MBL Group has limited visibility or control. Using these tools may lead to the MBL Group inadvertently infringing on the intellectual property rights of others and increase data exfiltration risks.

A cyber-attack, information security incident or technology disruption event of the Bank or the MBL Group or of an external supplier could adversely affect the Bank's or the MBL Group's ability to conduct their business, manage their exposure to risk or expand their businesses. This may result in the disclosure or misuse of confidential or proprietary information and may increase the Bank's or the MBL Group's costs to maintain and update their operational and security controls and infrastructure

The MBL Group's businesses depend on the security and efficacy of its data management systems and technology, as well as those of external parties it interacts with or relies on. To access the MBL Group's network, products and services, its customers and other external parties may use personal devices that are outside of its network environment and are subject to their own cybersecurity risks. While the MBL Group seeks to operate in a control

environment that limits the likelihood or severity of a cyber or information security incident, and to ensure that the impact of a cyber or information security incident can be minimised by its cyber and information security capabilities and incident response, there can be no assurances that these controls will provide absolute security against a dynamic external threat environment.

Cyber and information security risks for financial institutions have increased in recent years, in part because of the proliferation of new technologies, the use of internet and telecommunications technology, the increase in remote working arrangements, and the increased sophistication and activities of attackers (including hackers, organised criminals, terrorist organisations, hostile state-sponsored activity, disgruntled individuals, activists and other external parties). The increased accessibility and sophistication of AI tools and models have increased these risks, enabling attackers to plan and execute cyberattacks more effectively. This has led to more personalised and harder-to-detect social engineering attacks, faster identification of exploitable vulnerabilities and an increase in the frequency, speed and scale of attacks. Global events and geopolitical instability may increase security threats targeted at financial institutions. Targeted social engineering attacks are becoming more sophisticated and are extremely difficult to prevent, requiring constant vigilance by the MBL Group's employees. The techniques used by attackers change frequently and may only be recognised after a breach has occurred. Cyber-attacks or security breaches at the MBL Group's suppliers may also not be disclosed to it in a timely manner.

Despite ongoing efforts to protect the integrity of the MBL Group's systems through the implementation of controls, processes, policies and other protective measures, there is no guarantee that these measures will provide absolute security or recoverability given that the techniques used in cyber-attacks are complex, executed rapidly, frequently evolving, and as a result are difficult to prevent, detect and respond to.

Increasing consolidation, interdependence and complexity of financial entities, technology systems and supply chains mean that a technology failure or disruption, cyber-attack or other information security incident that significantly impacts the systems or data of one or more financial entities could have a material impact on counterparties and other market participants, including the MBL Group. This consolidation, interconnectivity and complexity increases the risk of operational failure, on both individual and industry-wide bases, as disparate systems need to be integrated. Any technology failure or disruption, cyber-attack, information security incident, termination or constraint on or by any of its external parties could, among other things, adversely affect the MBL Group's ability to effect transactions, service its clients, manage its exposure to risk or expand its businesses.

The MBL Group anticipates cyber-attacks will continue because perpetrators are well resourced and use highly sophisticated, rapidly evolving techniques. The MBL Group expects new AI models to enable perpetrators to identify weaknesses in IT systems more quickly and effectively than has previously been the case. This makes it challenging to implement effective controls to prevent or minimise damage from cybersecurity threats. Cyber-attacks or other information security breaches, whether targeting the MBL Group or external parties, may result in a material loss or have adverse consequences for the MBL Group, including operational disruption, financial losses, reputational damage, theft of intellectual property and customer data, violations of privacy laws and other laws, litigation exposure, regulatory fines, penalties or intervention, loss of confidence in its security measures and additional compliance costs, all of which could have a material adverse impact on the MBL Group.

The Bank's and the MBL Group's operations rely on their ability to maintain an appropriately staffed workforce, and on the competence, engagement, health, safety and wellbeing of employees and contractors

The Bank's and the MBL Group's ability to operate their businesses efficiently and profitably, to offer products and services that meet the expectations of their clients and customers, and to maintain an effective risk management framework is highly dependent on their ability to staff their operations appropriately and on the competence, integrity, health, safety and wellbeing of their employees and contractors.

The Bank's and the MBL Group's operations could be impaired if the measures they take to ensure the health, safety and wellbeing of their employees and contractors are ineffective, or if any external party they rely on fails to take effective actions to protect the health and safety of their employees and contractors.

The MBL Group could suffer losses due to hostile, catastrophic or unforeseen events, including due to environmental and social factors

The MBL Group's businesses are subject to the risk of unforeseen, hostile or catastrophic events, many of which are outside of its control. These include natural disasters, extreme weather events (such as persistent winter storms or protracted droughts), leaks, spills, explosions, release of toxic substances, fires, accidents on land or at sea, shipping disruptions, terrorist attacks, existing or emerging military conflicts or other hostile or catastrophic

events. Any significant environmental change or external event (including increased frequency and severity of storms, floods and other catastrophic events such as earthquakes, persistent changes in precipitation levels, rising global temperatures, rising sea levels, pandemics, other widespread health emergencies, civil unrest, geopolitical or terrorism events) has the potential to disrupt business activities, impact the MBL Group's operations or reputation, increase credit risk and other credit exposures, damage property and affect the value of assets and the MBL Group's ability to recover amounts owed to it.

Such events may prevent the MBL Group from performing under its agreements with clients, may impair its operations or financial results, and result in litigation, regulatory action, negative publicity or other reputational harm. The MBL Group may also not be able to insure against these risks and the insurance it has may not cover its losses. Any such long-term, adverse environmental or social consequences could prompt the MBL Group to exit certain businesses altogether. Such an event or environmental change could also have an adverse impact on economic activity, consumer and investor confidence, or the levels of volatility in financial markets.

The MBL Group faces increasing public scrutiny and laws and regulations related to environmental, social and governance (**ESG**) factors, including in respect of "greenwashing" practices. When conducting business, including throughout the MBL Group's investment and procurement processes, the MBL Group risks damage to its brand and reputation if it fails to act responsibly in areas such as diversity and inclusion, environmental stewardship, respecting the rights of Indigenous Peoples, support for local communities, corporate governance and transparency and respecting human rights. The MBL Group is also subject to competing demands from different stakeholder groups with divergent views on ESG factors, including by governmental and regulatory officials in various geographical markets in which it operates and invests. Failure to effectively manage these risks may result in breaches of the MBL Group's statutory obligations and harm its reputation, and could adversely affect the MBL Group's business, prospects, reputation, financial performance or financial condition.

Failure of the MBL Group's insurance carriers or its failure to maintain adequate insurance cover could adversely impact its results of operations

The MBL Group maintains insurance that it considers to be prudent for the scope and scale of its activities. If the MBL Group's insurers fail to perform their obligations to the MBL Group and/or its third-party cover is insufficient, its net loss exposure could adversely impact its results of operations.

The MBL Group is subject to risks in using custodians

Certain products the MBL Group manages depend on custodians to carry out certain securities transactions. Securities held at custodians are typically segregated. If a custodian becomes insolvent, the MBL Group may not be able to recover equivalent unsegregated assets in full as the beneficiaries of these products will rank among the custodian's unsecured creditors. In addition, the cash held with a custodian in connection with these products will not be segregated from the custodian's own cash, and the creditors of these products will rank as unsecured creditors in relation to the cash they have deposited.

The Bank may be exposed to contagion risk as it does not control the management, operations or business of entities in the Macquarie Group that are not part of the MBL Group

Entities in the Macquarie Group that are not part of the MBL Group may establish or operate businesses separately from the businesses of the MBL Group and are not obligated to support the businesses of the MBL Group, other than as required by APRA prudential standards. The activities of those entities may have an impact on the MBL Group.

Strategic risks

The Bank's and the MBL Group's business may be adversely affected by their failure to adequately manage the risks associated with strategic opportunities and new businesses, including acquisitions, and the exiting or restructuring of existing businesses

The Bank and other entities in the MBL Group are continually evaluating strategic opportunities and undertaking acquisitions of businesses, some of which may be material to their operations. The Bank's and/or the MBL Group's completed and prospective acquisitions and growth initiatives may subject them to unknown liabilities and additional or different regulations.

Future growth, including through acquisitions, mergers and other corporate transactions, may place significant demands on the MBL Group's legal, accounting, IT, risk management and operational infrastructure and result in

increased expenses. The MBL Group's business initiatives and further expansions of existing businesses are likely to bring it into contact with new clients, asset classes and other products or markets. These activities expose the MBL Group to new and enhanced risks, including reputational concerns from dealing with new counterparties and investors, actual or perceived conflicts of interest, regulatory scrutiny of these activities, potential political pressure, increased credit-related and operational risks, including risks arising from IT systems, and reputational concerns with how these businesses are operated.

When the Bank and such other MBL Group entities make an acquisition, they may over-value the acquired asset, fail to achieve expected synergies or cost savings, incur losses, lose customers and market share, face disruptions to their operations resulting from integrating the systems, processes and personnel (including in respect of risk management) of the acquired business or divert management's time away from the rest of their business. The Bank and other entities in the MBL Group may also underestimate the cost of outsourcing, exiting or restructuring existing businesses. Acquisitions in foreign jurisdictions, especially in emerging or growth economies, may expose the MBL Group to heightened levels of regulatory scrutiny and political, social or economic disruption and sovereign risk.

The Bank and the MBL Group's businesses depend on the Macquarie Group's brand and reputation

The MBL Group believes its reputation in the financial services markets and the recognition of the Macquarie brand are important contributors to its business. Many companies in the Macquarie Group and many of the funds managed by entities owned, in whole or in part, by the Macquarie Group use the Macquarie name. The MBL Group does not control those entities that are not in the MBL Group, but their actions may reflect directly on its reputation.

The MBL Group's business may be adversely affected by negative publicity or poor financial performance in relation to any of the entities using the Macquarie name, including any Macquarie-managed fund or fund promoted or associated with Macquarie. Investors and lenders may associate such entities and funds with the name, brand and reputation of the MBL Group and the Macquarie Group and other Macquarie-managed funds. If funds that use the Macquarie name or are otherwise associated with Macquarie-managed infrastructure assets, such as roads, airports, utilities and water distribution facilities that people view as community assets, are perceived to be managed inappropriately, those managing entities could be subject to criticism and negative publicity, harming the reputation of the Bank, the MBL Group and the reputation of other entities that use the Macquarie name.

Competitive pressure, both in the financial services industry as well as in the other industries in which the Bank and the MBL Group operate, could adversely impact their business

The Bank and the MBL Group face significant competition from local and international competitors across markets and sectors where the MBL Group operates. Competitors include asset managers, retail and commercial banks, private banking firms, investment banking firms, brokerage firms, internet-based firms, commodity trading firms and other investment and service firms as well as businesses in adjacent industries in connection with the various funds and assets they manage and services they provide. This includes specialist competitors that may not be subject to the same capital and regulatory requirements, allowing them to operate more efficiently.

Digital technologies and business models are changing consumer behaviour and the competitive environment. Customers increasingly use digital channels to conduct their banking. Emerging competitors are increasingly utilising new technologies and seeking to disrupt existing business models, including in relation to digital payment services, digital assets and open data banking. These technologies could challenge, and could potentially disrupt, traditional financial services. The Bank and the MBL Group face competition from established providers of financial services as well as businesses developed by non-financial services companies. The Bank and the MBL Group expect that pricing pressures will continue as their competitors seek to obtain or increase market share.

The widespread adoption and rapid evolution of new technologies, including process automation, machine learning and AI, analytic capabilities, self-service digital trading platforms and automated trading markets, internet services and digital assets, such as central bank digital currencies, cryptocurrencies (including stablecoins), tokens and other crypto assets, and clearing and settlement processes could have a substantial impact on the financial services industry. As these technologies develop, customer demand for products and services based on these technologies may increase, and new technologies may increasingly be integrated into internal processes to generate efficiencies. If the Bank and the MBL Group are unable to match the speed or success of their competitors in developing and integrating these technologies, they may be unable to compete effectively, adversely affecting the Bank's and the MBL Group's business and results of operations.

Consolidation in the global financial services industry may create stronger competitors with broader product and service offerings, increased access to capital, and greater efficiency and pricing power which may enhance their competitive position. In addition to mergers and acquisitions pursued for commercial reasons, consolidation may also occur as a result of bank regulators encouraging or directing stronger institutions to acquire weaker institutions to preserve stability. The effect of competitive market conditions, especially in the MBL Group's main markets, products and services, may lead to an erosion in its market share or margins.

Conflicts of interest could limit the MBL Group's current and future business opportunities

As the MBL Group expands its businesses and its client base, it increasingly has to address actual, potential or perceived conflicts of interest. This includes situations where its services to a client conflict with (or are perceived to conflict with) its interests or the interests of another client, or where one business has access to material non-public information that cannot be shared with other businesses within the Macquarie Group. While the MBL Group has procedures and controls in place to identify and manage conflicts of interest, failing (or being perceived to fail) to appropriately deal with these matters could damage its reputation and the willingness of clients or counterparties to enter into transactions may be adversely affected. In addition, failure to manage conflicts of interest could give rise to claims by and liabilities to clients, litigation or enforcement actions.

Tax

The Bank's and the MBL Group's business operations expose them to potential tax liabilities that could have an adverse impact on their results of operations and their reputation

The Bank and the MBL Group are exposed to costs and risks from how Australian and international tax regimes may be applied, enforced and/or amended, both in terms of their own tax compliance and the tax aspects of transactions involving their clients and other external parties.

The Bank's and the MBL Group's international, multi-jurisdictional platform increases their tax risks. Any actual or alleged failure to comply with, or any change in the implementation, interpretation, application or enforcement of, applicable tax laws and regulations could adversely affect the Bank's and the MBL Group's reputation and affected business areas, significantly increase their effective tax rate or tax liability and expose them to legal, regulatory and other actions.

Accounting standards

Changes in accounting standards, policies, interpretations, estimates, assumptions and judgments that could have a material impact on the financial results of the Bank and the MBL Group

The Bank's and the MBL Group's accounting policies are fundamental to how they record and report their financial position and results of operations. These policies require the use of estimates, assumptions and judgements that affect the reported value of the Bank's and the MBL Group's assets or liabilities and results of operations. Management is required to determine estimates and apply subjective and complex assumptions and judgements about matters that are inherently uncertain. Changes in those estimates, assumptions and judgements are accounted for prospectively as a change in accounting estimate unless it is determined that either (i) the determination was in error or (ii) the accounting policy which sets out the application of those estimates, assumptions and judgements has changed, in which case the previous reported financial information is re-presented.

Accounting standard setting bodies issue new accounting standards and interpretations in response to outreach activities, evolving interpretations, application of accounting principles as well as changes in market developments. In addition, changes in interpretations by accounting standard setting bodies, regulators, and the Bank's and the MBL Group's independent external auditor may also arise from time to time. These changes may be difficult to predict and may impact how the Bank and the MBL Group prepare and report their financial statements. In some cases, the Bank and the MBL Group may be required to apply a new or revised standard or change in interpretation retrospectively, resulting in a requirement to re-present their previously reported financial information.

RISK FACTORS RELATING TO THE COVERED BOND GUARANTOR, INCLUDING THE ABILITY OF THE COVERED BOND GUARANTOR TO FULFIL ITS OBLIGATIONS IN RELATION TO THE COVERED BOND GUARANTEE

Covered Bond Guarantor only obliged to pay Guaranteed Amounts when the same are Due for Payment

Subsequent to an Issuer Event of Default, the Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds then outstanding or if so directed by an Extraordinary Resolution of the Covered Bondholders will, give an Issuer Acceleration Notice to the Issuer with the effect that as against the Issuer (but not, for the avoidance of doubt, as against the Covered Bond Guarantor under the Covered Bond Guarantee) each Covered Bond will thereupon immediately become due and repayable at its Early Redemption Amount together with accrued interest.

Upon the Covered Bonds becoming immediately due and repayable against the Issuer, the Bond Trustee must immediately serve a Notice to Pay on the Covered Bond Guarantor and the Covered Bond Guarantor will be required to make payments of Guaranteed Amounts when the same become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

Following service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor will pay or procure to be paid, in accordance with the Guarantee Priority of Payments, on each Scheduled Payment Date to or to the order of the Bond Trustee (for the benefit of Covered Bondholders) an amount equal to those Guaranteed Amounts or that portion of the Guaranteed Amounts which have become Due for Payment in accordance with the terms of the Bond Trust Deed but which have not been paid by the Issuer provided that no Notice to Pay will be served on the Covered Bond Guarantor until an Issuer Acceleration Notice has been served by the Bond Trustee on the Issuer.

All payments of principal and interest (if any) in respect of Covered Bonds will be made subject to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges required by law. In the event of a withholding or deduction being made by the Covered Bond Guarantor, the Covered Bond Guarantor will not be obliged to pay any additional amounts as a consequence. In addition, the Covered Bond Guarantor will not be obliged at any time to make any payments in respect of additional amounts which may become payable by the Issuer under Condition 7. Prior to the service on the Covered Bond Guarantor and the Issuer of a Covered Bond Guarantee Acceleration Notice, the Covered Bond Guarantor will not be obliged to make payment in respect of any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums, default interest or interest upon interest which may accrue on or in respect of the Covered Bonds.

Subject to any grace period, if the Covered Bond Guarantor fails to make a payment when Due for Payment under the Covered Bond Guarantee or any other Covered Bond Guarantor Event of Default occurs and is continuing, then the Bond Trustee may, and if so requested in writing by the holders of at least 25 per cent. of the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds then outstanding or if so directed by an Extraordinary Resolution of all the Covered Bondholders will, accelerate the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee by service of a Covered Bond Guarantee Acceleration Notice, whereupon the Bond Trustee will have a claim under the Covered Bond Guarantee for an amount equal to the Early Redemption Amount of each Covered Bond, together with accrued interest and all other amounts then due under the Covered Bonds (other than additional amounts payable under Condition 7). Following service of a Covered Bond Guarantee Acceleration Notice, the Security Trustee may enforce the Security over the Secured Property. Pursuant to the terms of the Security Deed, the proceeds of enforcement and realisation of the Security will be required to be applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments in the Security Deed and Covered Bondholders will receive amounts from the Covered Bond Guarantor (if any) on an accelerated basis.

It is possible that payments by the Covered Bond Guarantor that relate to interest on the Covered Bonds would be treated as interest for Australian withholding tax purposes and therefore subject to withholding tax. Please refer to the section "*Tax Considerations – Australian Taxation – Payments by the Covered Bond Guarantor*" in this Prospectus. Investors should be aware that in the event payments of Guaranteed Amounts by the Covered Bond Guarantor are subject to any withholding or deduction for or on account of tax, the Covered Bond Guarantor will not be required to pay any additional amounts to Covered Bondholders.

Excess Proceeds received by the Bond Trustee

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may receive Excess Proceeds. In accordance with the Bond Trust Deed, the Excess Proceeds will be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and will be held by the Covered Bond Guarantor in the GIC Account and the Excess Proceeds will thereafter form part of the Security and will be used by the Covered Bond Guarantor in the same manner as all other moneys from time to time standing to the credit of the GIC Account. Any Excess Proceeds received by the Bond Trustee will discharge *pro tanto* the obligations of the Issuer in respect of the Covered Bonds and Coupons (subject to restitution of the same if such Excess Proceeds will be required to be repaid by the Bond Trustee or by the Covered Bond Guarantor). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds will not reduce or discharge any such obligations.

By subscribing for Covered Bonds, each holder of the Covered Bonds will be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor for application in the manner described above.

Finite resources available to the Covered Bond Guarantor to make payments due under the Covered Bond Guarantee

Following the service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor's ability to meet its obligations under the Covered Bond Guarantee will depend on (a) the realisable value of Selected Mortgage Loan Rights forming part of the Assets of the Trust; (b) the Principal Collections and Finance Charge Collections generated by the Mortgage Loan Rights forming part of the Assets of the Trust and the timing thereof; (c) amounts received from the Swap Providers; (d) the realisable value of Substitution Assets and Authorised Investments held by it and (e) the receipt by it of credit balances and interest on credit balances on the GIC Account. Recourse against the Covered Bond Guarantor under the Covered Bond Guarantee is limited to the aforementioned assets and the Covered Bond Guarantor will not have any other source of funds available to meet its obligations under the Covered Bond Guarantee.

If a Covered Bond Guarantor Event of Default occurs and is continuing and the Security created by or pursuant to the Security Deed is enforced, the realisation of the Secured Property may not be sufficient to meet the claims of all the Secured Creditors, including the Covered Bondholders.

If, following enforcement of the Security constituted by or pursuant to the Security Deed, the Secured Creditors have not received the full amount due to them pursuant to the terms of the Programme Documents, then they may still have an unsecured claim against the Issuer for the shortfall. There is no guarantee that the Issuer will have sufficient funds to pay that shortfall.

Covered Bondholders should note that the Asset Coverage Test has been structured to ensure that the Adjusted Aggregate Mortgage Loan Amount is an amount at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds for so long as Covered Bonds remain outstanding prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or, a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, which should reduce the risk of there ever being a shortfall (although there is no assurance of this – in particular, the sale of further Mortgage Loan Rights by the Sellers to the Covered Bond Guarantor may be required to remedy a breach of the Asset Coverage Test).

The Trust Manager will be required to ensure that, following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Amortisation Test is satisfied on each Determination Date. A breach of the Amortisation Test will constitute a Covered Bond Guarantor Event of Default and if it continues it will entitle the Bond Trustee to serve a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer.

The Asset Coverage Test, the Amortisation Test, the Interest Rate Shortfall Test, the Yield Shortfall Test and the Pre-Maturity Test have in the aggregate been structured to ensure that the Assets of the Trust are sufficient to pay amounts due on the Covered Bonds and senior expenses (which will include costs relating to the maintenance, administration and winding-up of the Assets of the Trust whilst the Covered Bonds are outstanding). However, no assurance can be given that the Assets of the Trust will in fact generate sufficient amounts for such purposes

(see "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" and "*Credit Structure – Asset Coverage Test*", "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*" and "*Credit Structure – Amortisation Test*", "*Overview of the Principal Documents – Servicing Deed – Interest Rate Shortfall Test and Yield Shortfall Test*", "*Overview of the Principal Documents – Establishment Deed – Pre-Maturity Test*" and "*Credit Structure – Pre-Maturity Test*").

Further, in some instances, the Sellers, the Bank and/or MSL, will be entitled to receive amounts in priority to payments of principal to the Covered Bondholders. In particular, a Seller, the Bank and/or MSL may be reimbursed from Collections available on any day for any Trust Further Advances made by the relevant Seller, the Bank and/or MSL (whether directly or indirectly) on or prior to that day. Any amounts so applied from Collections will not form part of the Available Principal Amount to be applied by the Covered Bond Guarantor in accordance with the Pre-Acceleration Principal Priority of Payments on the next following Distribution Date.

Reliance of the Covered Bond Guarantor on third parties

The Covered Bond Guarantor has entered into agreements with a number of third parties, which have agreed to perform services for the Covered Bond Guarantor. In particular, but without limitation:

(a) the Servicer has been appointed to act as servicer of the Mortgage Loan Rights forming part of the Assets of the Trust on behalf of the Covered Bond Guarantor pursuant to the provisions of the Servicing Deed;

(b) the Trust Manager has been appointed to provide the administration and cash management services set out in the Programme Documents including, without limitation, assisting the Covered Bond Guarantor in operating the Trust Accounts, keeping and maintaining records, causing annual accounts of the Trust to be audited and directing the Covered Bond Guarantor in relation to investing moneys standing to the credit of the GIC Account in Substitution Assets or Authorised Investments;

(c) the Trust Manager has been appointed to provide the calculation services set out in the Programme Documents including, without limitation, doing all calculations on each Determination Date which are required to determine whether the Legislated Collateralisation Test and the Asset Coverage Test or the Amortisation Test or the Pre-Maturity Test, as the case may be, are satisfied or otherwise and providing information to the Cover Pool Monitor;

(d) the Cover Pool Monitor has been appointed to perform agreed upon procedures for the purpose of verifying the Trust Manager's calculations in respect of the Asset Coverage Test or the Amortisation Test, as the case may be, and the Legislated Collateralisation Test. The functions of the Cover Pool Monitor in respect of the Trust for the purposes of the Australian Banking Act include assessing the keeping by the Trust Manager of an accurate register of the Assets of the Trust and assessing compliance by the Bank with the requirements of sections 31 and 31A of the Australian Banking Act;

(e) the Account Bank has been appointed to operate each of the Trust Accounts in accordance with the relevant account bank mandate pursuant to the Account Bank Agreement; and

(f) the Bank and Servicer act as collecting agent for the Covered Bond Guarantor in respect of any payments received in respect of any Mortgage Loan Rights which are Assets of the Trust.

In the event that any of those third parties fails to perform its obligations under the relevant Programme Documents to which it is a party, the realisable value of the Mortgage Loan Rights forming part of the Assets of the Trust and other Assets of the Trust or pending such realisation (if the Mortgage Loan Rights forming part of the Assets of the Trust and other Assets of the Trust cannot be sold) the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected. For example, if the Servicer fails to adequately administer the Mortgage Loans forming part of the Assets of the Trust, this may lead to higher incidences of non-payment or default by Borrowers.

The Covered Bond Guarantor may also be reliant on the Swap Providers to provide it with the funds sufficient to meet its obligations under the Intercompany Loan Agreement, the Demand Loan Agreement and the Covered Bond Guarantee, as described below.

If the Trust Manager or the Covered Bond Guarantor has determined that, among other things, a Servicer Default has occurred and is continuing, then the Trust Manager or the Covered Bond Guarantor (as applicable) must, by written notice to the Servicer, immediately terminate the rights and obligations of the Servicer and appoint another appropriately qualified organisation to act in its place. The purported appointment of a Substitute Servicer

following such termination has no effect until the Substitute Servicer executes an agreement under which it covenants to act as servicer in accordance with the Servicing Deed and all other Programme Documents to which the Servicer is a party. The Trust Manager must notify the Security Trustee, the Bond Trustee and the Rating Agencies of the identity of the Substitute Servicer. Until the appointment of the Substitute Servicer is complete, the Covered Bond Guarantor must act as Servicer (and is entitled to the relevant fees for the period it so acts). There can be no assurance that a Substitute Servicer with sufficient experience of administering mortgages of residential properties would be found who would be willing and able to service the Mortgage Loan Rights forming part of the Assets of the Trust on the terms of the Servicing Deed or that the Servicer will be able to continue to perform this role until such Substitute Servicer is appointed, particularly if the Servicer's termination is as a result of an Insolvency Event occurring in respect of the Servicer.

The ability of a Substitute Servicer or the Covered Bond Guarantor (when acting as Servicer) to perform fully the required services as Servicer would depend, among other things, on the information, software and records available at the time of the appointment or it being required to act as Servicer, respectively. Any delay or inability to appoint a Substitute Servicer may affect payments on the Mortgage Loan Rights forming part of the Assets of the Trust, the realisable value of such Mortgage Loan Rights and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

The Servicer has no liability for any obligations of the Borrowers in respect of the Mortgage Loan Rights forming part of the Assets of the Trust. Covered Bondholders will have no right to consent to or approve of any actions taken by the Servicer under the Servicing Deed.

Each of the Bank and the Servicer is required to act as collecting agent for the Covered Bond Guarantor in respect of all payments in respect of the Mortgage Loan Rights forming part of the Assets of the Trust (including, without limitation, a Mortgage Loan Scheduled Payment). If the Bank or the Servicer receives, during a Collection Period, any money whatsoever arising from the Mortgage Loan Rights forming part of the Assets of the Trust which money belongs to the Covered Bond Guarantor, the Bank and the Servicer will hold such money on trust for the Covered Bond Guarantor. Each of the Bank and the Servicer is entitled to commingle such money with any other money held by it. In the event of an insolvency of the Bank or the Servicer, the ability of the Covered Bond Guarantor to trace and recover any such commingled money may be impaired. Any amounts received by the Servicer during a Collection Period must be paid to the Bank as soon as practicable within two Local Business Days of receipt, unless a Payment Redirection Event has been declared by the Covered Bond Guarantor, in which case such amounts must be paid as soon as practicable within two Local Business Days of receipt to the Trust Account specified to the Sellers by the Covered Bond Guarantor. The risk of the Bank not making payment to the Covered Bond Guarantor is mitigated by an obligation of the Bank to transfer the Collections it has received into the GIC Account within two Local Business Days of receipt if (i) a Payment Redirection Event has occurred; or (ii) the Bank does not have a short-term deposit rating of at least P-1 from Moody's, a short-term credit rating of at least F1 from Fitch or a long-term credit rating of at least A- from Fitch.

None of the Covered Bond Guarantor, the Security Trustee or the Bond Trustee is obliged in any circumstances to act as a Servicer or to monitor the performance by the Servicer of its obligations.

While a Trust Manager Default is subsisting and after the Covered Bond Guarantor becomes aware of the Trust Manager Default, the Covered Bond Guarantor must, upon giving written notice to the Issuer, the Security Trustee, the Trust Manager and the Rating Agencies, immediately terminate the rights and obligations of the Trust Manager under the Programme Documents and appoint another entity to act in its place. Until the appointment of the Substitute Trust Manager is complete, the Covered Bond Guarantor must act as Trust Manager (and is entitled to the relevant fees for the period it so acts). There can be no assurance that a Substitute Trust Manager would be found who would be willing and able to provide such trust management services on the terms of the Establishment Deed and the Management Agreement or that the Trust Manager will be able to continue to perform this role until such Substitute Trust Manager is appointed, particularly if the Trust Manager's termination is as a result of an Insolvency Event occurring in respect of the Trust Manager. Neither the Security Trustee nor the Bond Trustee will be obliged in any circumstances to act as a Trust Manager or to monitor or supervise the performance by the Trust Manager (or any Substitute Trust Manager) of its obligations.

The ability of a Substitute Trust Manager or the Covered Bond Guarantor (when acting as Trust Manager) to perform fully the required trust management services as Trust Manager would depend, among other things, on the information, software and records available at the time of the appointment or it being required to act as Trust Manager, respectively. Any delay or inability to appoint a Substitute Trust Manager may affect payments to and from the Trust Accounts in accordance with the terms of the Programme Documents, and/or the provision of the Asset Coverage Reports and other information to, *inter alia*, the Rating Agencies, the Security Trustee and the

Covered Bond Guarantor and may ultimately affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

The Trust Manager has no obligation itself to advance payments that Borrowers fail to make in a timely fashion. Covered Bondholders will have no right to consent to or approve of any actions taken by the Trust Manager under the Establishment Deed and/or the Management Agreement.

Change of counterparties

The parties to the Programme Documents who receive and hold moneys pursuant to the terms of such documents (such as the Servicer and the Account Bank) will be required to satisfy certain criteria in order to continue to receive and hold such moneys. These criteria will include requirements in relation to the short-term and/or long-term, unguaranteed and unsecured credit ratings and the counterparty risk assessment, as applicable, ascribed to such party by Fitch and Moody's.

If the party concerned ceases to satisfy the applicable criteria, including such credit ratings criteria, then the rights and obligations of that party (including the right or obligation to receive moneys on behalf of the Covered Bond Guarantor) may be required to be transferred to another entity which does satisfy the applicable criteria. If the rights and obligations of that counterparty are transferred to another entity, then the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the Programme Documents. There is no guarantee that a replacement counterparty could be found.

In addition, should the applicable criteria cease to be satisfied, the parties to the relevant Programme Document may agree to amend or waive certain of the terms of such document, including the applicable criteria, in order to avoid the need for a replacement entity to be appointed. The consent of Covered Bondholders may not be required in relation to such amendments and/or waivers.

Reliance on Swap Providers

In order to hedge certain interest rate, currency or other risks in respect of amounts received by the Covered Bond Guarantor under the Mortgage Loans, the amounts standing to the credit of the GIC Account, any Substitution Assets or Authorised Investments and any other assets that the Covered Bond Guarantor may hold from time to time, and amounts payable by the Covered Bond Guarantor under the Intercompany Loan Agreement and/or the Demand Loan Agreement to the Bank and/or amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee to Covered Bondholders in respect of the Covered Bonds on issue, the Covered Bond Guarantor may enter into certain swap transactions with swap providers (each, a **Swap Provider**).

If the Covered Bond Guarantor fails to make timely payments (except where the terms of the relevant Swap Agreement provide for a pro rata reduction on both legs of any relevant transaction thereunder where the Covered Bond Guarantor has insufficient funds to make the payment in full) of amounts due under any Swap Agreement, then it will have defaulted under that Swap Agreement and such Swap Agreement may be terminated. Further, a Swap Provider is only obliged to make payments to the Covered Bond Guarantor if the Covered Bond Guarantor complies with its payment obligations under the relevant Swap Agreement. If a Swap Agreement (or any transactions thereunder) terminates or the relevant Swap Provider is not obliged to make payments or if it defaults in its obligations to make payments of amounts in the relevant currency equal to the full amount to be paid to the Covered Bond Guarantor on the relevant payment date under such Swap Agreement, the Covered Bond Guarantor will be exposed to changes in the relevant currency exchange rates to Australian Dollars (where relevant) and to any changes in the relevant rates of interest. Unless a replacement swap is entered into, the Covered Bond Guarantor may have insufficient funds to make payments under the Intercompany Loan Agreement, the Demand Loan Agreement or the Covered Bond Guarantee.

If a Swap Agreement (or any transactions thereunder) terminates, then the Covered Bond Guarantor may be obliged to make a termination payment to the relevant Swap Provider. There can be no assurance that the Covered Bond Guarantor will have sufficient funds available to make a termination payment under the relevant Swap Agreement or to make any upfront payment required by a replacement swap counterparty, nor can there be any assurance that the Covered Bond Guarantor will be able to find a replacement swap counterparty which has both sufficiently high ratings as may be required by any of the Rating Agencies and which agrees to enter into a replacement swap agreement on similar commercial terms.

If the Covered Bond Guarantor is obliged to pay a termination payment under any Swap Agreement:

(a) if the Issuer is not the Interest Rate Swap Provider or, if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager) any such termination payment in respect of an Interest Rate Swap will rank ahead of amounts due on the Covered Bonds; and

(b) any such termination payment in respect of a Covered Bond Swap and (if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has not occurred or is not likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager)) an Interest Rate Swap will rank *pari passu* and rateably with amounts due on the Covered Bonds,

except where default by, or downgrade of, the relevant Swap Provider has caused the relevant Swap Agreement to terminate.

The obligation to pay a termination payment may adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Insolvency proceedings and subordination provisions

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called **flip clauses**). Such provisions are similar in effect to the terms which are included in the Programme Documents relating to the subordination of Excluded Swap Termination Amounts.

The UK Supreme Court has held that a flip clause of the type described above is valid under English law. However, contrary to the determination of the UK Supreme Court, the US Bankruptcy Court has held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such a provision would violate the automatic stay which applies under such law in the case of a US bankruptcy of the counterparty. However, in a subsequent decision in relation to a similar matter, the U.S. Bankruptcy Court for the Southern District of New York held that such a subordination provision can be enforceable in certain circumstances, which decision was further affirmed on 11 August 2020 by the U.S. Court of Appeals for the Second Circuit. The implications of these conflicting judgments remain unresolved at this time. Furthermore, Australia has recently introduced legislation that makes ipso facto clauses unenforceable – see "*Legal and other Considerations – Australian insolvency laws*".

In particular, based on the first decision of the U.S. Bankruptcy Court referred to above, there is a risk that subordination provisions such as those included in the Programme Documents relating to the subordination of the Excluded Swap Termination Amounts would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to a range of entities which may act as a Swap Provider, including U.S. established entities and certain non-U.S. established entities with assets or operations in the U.S. (although the scope of any such proceedings may be limited if the relevant non-U.S. entity is a bank with a licensed branch in a U.S. state). In general, if a subordination provision included in the Programme Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales or Australia and any relevant foreign judgment or order was recognised by the English courts or Australian courts, there can be no assurance that such actions would not adversely affect the rights of the Covered Bondholders, the market value of the Covered Bonds and/or the ability of the Covered Bond Guarantor to satisfy its obligations under the Covered Bonds.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Programme Documents include terms providing for the subordination of Excluded Swap Termination Amounts, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts or Australian courts) may result in negative rating pressure in respect of the Covered Bonds. If any rating assigned to the Covered Bonds is lowered, the market value of the Covered Bonds may reduce.

Limited description of the Mortgage Loan Rights

Covered Bondholders may not receive detailed statistics or information in relation to the Mortgage Loan Rights forming part of the Assets of the Trust because it is expected that the constitution of the Mortgage Loan Rights forming part of the Assets of the Trust will frequently change due to, for instance:

(a) the Sellers selling additional Mortgage Loan Rights to the Covered Bond Guarantor;

(b) payments by the Borrowers on those Mortgage Loans; and

(c) the Covered Bond Guarantor's interest in the Mortgage Loan Rights being transferred to a Seller, the Bank or its Nominee in accordance with the Mortgage Sale Agreement, including, in particular, to the Servicer (or its Nominee) in relation to non-compliance with the Representations and Warranties (see "*Overview of the Principal Documents – Mortgage Sale Agreement – Purchase by the Servicer following breach of Representations and Warranties*").

There is no assurance that the characteristics of any Mortgage Loan Rights sold to the Covered Bond Guarantor on any Closing Date will be the same as those of the other Mortgage Loan Rights forming part of the Assets of the Trust as at the relevant Closing Date. However, each Mortgage Loan sold to the Covered Bond Guarantor will be required to be an Eligible Mortgage Loan and the Servicer or the MBL Seller (as applicable) will also be required to make the Representations and Warranties set out in the Mortgage Sale Agreement on such date (see "*Overview of the Principal Documents – Mortgage Sale Agreement – Sale by the Sellers of Mortgage Loan Rights*") (although the criteria for Eligible Mortgage Loans and Representations and Warranties may change in certain circumstances (see "*The Bond Trustee and the Security Trustee may agree to modifications to the Programme Documents without, respectively, the Covered Bondholders or other Secured Creditors' prior consent*")). In addition, the Asset Coverage Test is intended to ensure that on each Determination Date the Adjusted Aggregate Mortgage Loan Amount is an amount at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds for so long as Covered Bonds remain outstanding (prior to the Service of a Notice to Pay or, if earlier, a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer) and the Trust Manager will provide monthly reports that will set out certain information in relation to the Asset Coverage Test.

The Servicing Guidelines may be amended or revised by the Servicer from time to time. If any Mortgage Loans have been originated under amended or revised Servicing Guidelines and the Mortgage Loans are then sold to the Covered Bond Guarantor in accordance with and pursuant to the terms of the Mortgage Sale Agreement, the characteristics of the Mortgage Loan Rights forming part of the Assets of the Trust could at such time change. This could adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Maintenance of Mortgage Loan Rights

Asset Coverage Test

The Asset Coverage Test is intended to test the asset coverage of the Assets of the Trust held from time to time by the Covered Bond Guarantor in respect of the Covered Bonds on a monthly basis, prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer. This is to ensure that the Assets of the Trust held from time to time by the Covered Bond Guarantor do not fall below a certain threshold and are sufficient for the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee and senior expenses which rank in priority to or *pari passu* and rateably with amounts due on the Covered Bonds. See further "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*".

In the event that the Asset Coverage Test is not satisfied on a Determination Date and also on the next following Determination Date, the Bond Trustee will serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (subject to the Bond Trustee receiving notification from the Trust Manager or, if earlier, having actual knowledge or express notice of the breach). The Bond Trustee will be deemed to revoke an Asset Coverage Test Breach Notice if, on the next Determination Date to occur following the service of an Asset Coverage Test Breach Notice, the Asset Coverage Test is satisfied and neither a Notice to Pay nor a Covered Bond Guarantee Acceleration Notice has been served. If the Bond Trustee is deemed to revoke an Asset Coverage Test Breach Notice, the Trust Manager must immediately notify in writing the Bond Trustee thereof. If the Asset Coverage Test Breach Notice is not deemed to be revoked by the Bond Trustee on or before the next Determination Date, then an Issuer Event of Default will occur. The Bond Trustee will be entitled, and in certain circumstances

required, to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor.

Amortisation Test

The Amortisation Test is intended to ensure that, following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Assets of the Trust held from time to time by the Covered Bond Guarantor do not fall below a certain threshold to ensure that the Assets of the Trust are sufficient to meet the Covered Bond Guarantor's obligations under the Covered Bond Guarantee and senior expenses which rank in priority to or *pari passu* and rateably with amounts due on the Covered Bonds. See further "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*".

If the aggregate collateral value of the Mortgage Loan Rights forming part of the Assets of the Trust has not been maintained in accordance with the Amortisation Test, then that may affect the realisable value of the Mortgage Loan Rights forming part of the Assets of the Trust (both before and after the occurrence of a Covered Bond Guarantor Event of Default) and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee. Failure to satisfy the Amortisation Test on any Determination Date following an Issuer Event of Default that is continuing and service of a Notice to Pay on the Covered Bond Guarantor will constitute a Covered Bond Guarantor Event of Default and will entitle the Bond Trustee to accelerate the Covered Bond Guarantor's obligations under the Covered Bond Guarantee against the Covered Bond Guarantor subject to and in accordance with the Conditions.

Cover Pool Monitor to verify the Trust Manager's calculations and assess the keeping of an accurate register of the Assets and compliance with the Australian Banking Act

Prior to the service of a Notice to Pay on the Covered Bond Guarantor, the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, verify the calculations performed by the Trust Manager in relation to the Asset Coverage Test as soon as reasonably practicable following the Determination Date immediately following 31 March and 30 September of each calendar year and in any event before the later to occur of (a) 20 Local Business Days following receipt of certain required information in accordance with the Cover Pool Monitor Agreement and (b) 31 May of that calendar year, in the case of the Determination Date immediately following 31 March or 30 November of that calendar year, in the case of the Determination Date immediately following 30 September of that calendar year.

Following receipt of notice that a Notice to Pay has been served on the Covered Bond Guarantor but prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice, the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, verify the calculations performed by the Trust Manager in relation to the Amortisation Test as soon as reasonably practicable following the Determination Date immediately following 30 September of each calendar year and in any event before the later to occur of (a) 20 Local Business Days following receipt of certain required information in accordance with the Cover Pool Monitor Agreement and (b) 30 November of that calendar year.

In addition, the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, verify the calculations performed by the Trust Manager in relation to the Legislated Collateralisation Test as soon as reasonably practicable on the Determination Date on which any Covered Bonds are outstanding immediately following 31 March and 30 September of each calendar year and in any event before the later to occur of (a) 20 Local Business Days following receipt of certain required information in accordance with the Cover Pool Monitor Agreement and (b) 31 May of that calendar year, in the case of the Determination Date immediately following 31 March or 30 November of that calendar year, in the case of the Determination Date immediately following 30 September of that calendar year.

If and for so long as the (a) counterparty risk assessment of the Issuer falls below Baa3(cr) from Moody's or, if the Issuer does not have a counterparty risk assessment from Moody's, the long-term unsecured, unguaranteed and unsubordinated debt obligation credit rating of the Issuer falls below Baa3 by Moody's or (b) long-term unsecured, unguaranteed and unsubordinated debt obligation credit rating of the Issuer falls below BBB- by Fitch, the Trust Manager must give written notice of that fact to the Cover Pool Monitor and upon receipt of such notice, the Cover Pool Monitor will conduct the tests of the Trust Manager's calculations in respect of the Asset Coverage Test or the Amortisation Test, as the case may be, on every Determination Date thereafter.

The Cover Pool Monitor will also be required, in respect of the period commencing on the Programme Date and ending on the earlier of the immediately following 31 March or 30 September, and each subsequent six month period ending 31 March or 30 September of each calendar year, or any other period agreed between the Trust Manager and Cover Pool Monitor from time to time (each, an **Assessment Period**) as soon as reasonably practicable following the end of each Assessment Period and following receipt of all necessary information, to assess compliance by the Bank with the requirements sections 31 and 31A of the Australian Banking Act and to assess the keeping by the Trust Manager of an accurate register of the Assets of the Trust.

See further the section "*Overview of the Principal Documents – Cover Pool Monitor Agreement*" in this Prospectus.

None of the Covered Bond Guarantor, the Bond Trustee, the Agents nor the Security Trustee will be responsible for monitoring compliance with, nor the monitoring of, the Asset Coverage Test, the Amortisation Test, the Legislated Collateralisation Test or any other test, compliance of the Mortgage Loan Rights forming part of the Assets of the Trust with the Australian Banking Act requirements or supervising the performance by any other party of its obligations under any Programme Document.

It should be noted that the Asset Coverage Test and the Amortisation Test have been designed to mitigate certain economic and legal stresses in connection with the performance and valuation of the Assets of the Trust held from time to time by the Covered Bond Guarantor, to ensure that the Covered Bond Guarantor is able to meet its ongoing requirements at all relevant times. In setting the values and criteria for such tests, modelling has been undertaken on the basis of certain assumptions in certain stress scenarios. However, no assurance can be given that the modelling and the assumptions utilised in such modelling have been able to incorporate or examine all possible scenarios that may occur in respect of the Covered Bond Guarantor and the Assets of the Trust. As such, no assurance can be given that the methodology and modelling utilised to set the relevant values and criteria within such tests will be sufficient in all scenarios to ensure that the Covered Bond Guarantor will be able to meet its obligations in full.

Sale of Selected Mortgage Loan Rights following the occurrence of certain events

Following the occurrence of any of the following events:

(a) a breach of the Pre-Maturity Test;

(b) the service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (which has not been deemed to be revoked); or

(c) the service of a Notice to Pay on the Covered Bond Guarantor,

but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, sell Selected Mortgage Loan Rights (selected on a basis that is representative of the Mortgage Loan Rights then forming part of the Assets of the Trust).

The proceeds from any such sale must be deposited into the GIC Account and applied in accordance with the applicable Priority of Payments (see "*Overview of the Principal Documents – Establishment Deed – Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached*").

There is no guarantee the Covered Bond Guarantor will, where the Covered Bond Guarantor is obliged to sell Selected Mortgage Loan Rights, find a buyer to buy Selected Mortgage Loan Rights at the times required and there can be no guarantee or assurance as to the price which may be able to be obtained, which may affect payments under the Covered Bond Guarantee. The Covered Bond Guarantor will offer the Selected Mortgage Loan Rights for the best price reasonably available but in any event, following the service of an Asset Coverage Test Breach Notice (but prior to the service of a Notice to Pay), the Selected Mortgage Loan Rights may not be sold by the Covered Bond Guarantor for an amount less than the Current Principal Balance of the Mortgage Loans in respect of the Selected Mortgage Loan Rights plus the arrears of interest and accrued interest thereon. Following a breach of the Pre-Maturity Test or service of a Notice to Pay on the Covered Bond Guarantor, the Selected Mortgage Loan Rights may not be sold by the Covered Bond Guarantor for an amount less than the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds. However, if the Selected Mortgage Loan Rights have not been sold by the date which is six months prior to either (a) the Final Maturity Date in respect of the Earliest Maturing Covered Bonds, or (b) the Extended Due for Payment Date in respect of the Earliest Maturing Covered Bonds, or (c) in respect of a sale in connection with the Pre-Maturity Test, the Final Maturity

Date of the relevant Series of Hard Bullet Covered Bonds, the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, offer the Selected Mortgage Loan Rights for sale for the best price reasonably available notwithstanding that such amount may be less than the Adjusted Required Redemption Amount.

If Selected Mortgage Loan Rights are not sold for an amount equal to or in excess of the Adjusted Required Redemption Amount, the Covered Bond Guarantor may have insufficient funds available to make payment in respect of the Covered Bonds.

At any time after the service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a Covered Bond Acceleration Notice on the Covered Bond Guarantor and the Issuer), on each Distribution Date the Covered Bond Guarantor will apply the Available Income Amount and Available Principal Amount to redeem or repay in part the relevant Series of Covered Bonds, to the extent that the Covered Bond Guarantor has sufficient moneys available to make such payments in accordance with the Guarantee Priority of Payments. The Available Income Amount will include, among other things, the sale proceeds of Selected Mortgage Loan Rights to the extent such proceeds comprise accrued interest or arrears of interest (if any) that has been, or is to be, on the immediately following Distribution Date, credited to the Income Ledger on the GIC Account. The Available Principal Amount will include, among other things, the sale proceeds of Selected Mortgage Loan Rights (including any excess sale proceeds resulting from the sale of Selected Mortgage Loan Rights sold in respect of another Series of Covered Bonds but excluding accrued interest and arrears of interest which will form part of the Available Income Amount) that have been, or are to be, on the immediately following Distribution Date, credited to the Principal Ledger on the GIC Account, and all principal repayments received on the Mortgage Loans forming part of the Assets of the Trust generally. This may adversely affect repayment of later maturing Series of Covered Bonds if the Selected Mortgage Loan Rights sold to redeem or repay in part an earlier maturing Series of Covered Bonds are sold for less than the Adjusted Required Redemption Amount and accordingly the Covered Bond Guarantor is required to apply other assets forming part of the Assets of the Trust (such as Principal Collections) to redeem that earlier maturing Series of Covered Bonds.

Sale of Selected Mortgage Loan Rights if Pre-Maturity Test is breached

The Establishment Deed provides for the sale of Selected Mortgage Loan Rights in circumstances where the Pre-Maturity Test has been breached in relation to a Series of Hard Bullet Covered Bonds. The Pre-Maturity Test will be breached in relation to a Series of Hard Bullet Covered Bonds if the Issuer's short-term deposit rating from Moody's falls to P-2 (or lower) or its short-term credit rating from Fitch is less than F1+ and the Final Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date. If the Pre-Maturity Test is breached within that period the Covered Bond Guarantor will, after taking into account the amount standing to the credit of the Pre-Maturity Ledger and subject to first utilising the proceeds of any advance made by the Demand Loan Provider under the Demand Loan Agreement, be obliged to commence an offer process to sell Selected Mortgage Loan Rights in order to enable the Covered Bond Guarantor, following service of a Notice to Pay (if any), to pay the Australian Dollar Equivalent of the Required Redemption Amount on a Series of Hard Bullet Covered Bonds under the Covered Bond Guarantee on the Final Maturity Date for such Covered Bonds. In the event that the Pre-Maturity Test is breached in respect of any Series of Hard Bullet Covered Bonds during the Pre-Maturity Test Period and the amount standing to the credit of the Pre-Maturity Ledger of the GIC Account is less than the Australian Dollar Equivalent of the Required Redemption Amount for each Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached on the earlier to occur of the (i) date that is 10 Local Business Days from the date that the Issuer is notified of the breach; and (ii) Final Maturity Date of that Series of Hard Bullet Covered Bonds, an Issuer Event of Default will occur.

There is no guarantee that a suitable buyer will be found to acquire the Selected Mortgage Loan Rights at the times required and there can be no guarantee or assurance as to the price which the Covered Bond Guarantor may be able to obtain, which may affect payments under the Covered Bond Guarantee.

Realisation of Secured Property following the occurrence of a Covered Bond Guarantor Event of Default

If a Covered Bond Guarantor Event of Default occurs and is continuing and a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, then the Security Trustee will be entitled to enforce the Security created under and pursuant to the Security Deed and the proceeds from the realisation of the Secured Property, together with any applicable In Specie Mortgage Loan Rights, will be applied by the Security Trustee towards payment of all secured obligations in accordance with the Post-Enforcement Priority of Payments described in "*Cashflows*" below (other than Third Party Amounts due to the Sellers and any

Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements).

The Security Trustee's (or any receiver's) right to realise the Mortgage Loan Rights is subject to the Bank's rights of pre-emption described in "*Overview of the Principal Documents – Security Deed – Enforcement*" below.

There is no guarantee that the proceeds of realisation of the Secured Property will be in an amount sufficient to repay all amounts due to the Secured Creditors (including the Covered Bondholders) under the Covered Bonds and the Programme Documents.

If a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, then the Covered Bonds may be repaid sooner or later than expected or not at all.

Factors that may affect the realisable value of the Mortgage Loan Rights forming part of the Assets of the Trust or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee

The realisable value of Selected Mortgage Loan Rights forming part of the Assets of the Trust may be reduced (which may affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee) by:

(a) no representations or warranties being given in respect of the Selected Mortgage Loan Rights by the Covered Bond Guarantor, the Sellers or the Servicer unless expressly agreed by the Security Trustee or otherwise agreed with the Covered Bond Guarantor, the Sellers or the Servicer, as the case may be;

(b) default by Borrowers of amounts due on their Mortgage Loans;

(c) changes to the Servicing Guidelines of the Servicer;

(d) the Covered Bond Guarantor not having legal title to Mortgage Loans Rights sold by the MBL Seller to the Covered Bond Guarantor;

(e) risks in relation to some types of Mortgage Loans which may adversely affect the value of the Mortgage Loan Rights forming part of the Assets of the Trust;

(f) changes in interest rates which may adversely affect the value of fixed rate Mortgage Loans;

(g) limited recourse to the Sellers;

(h) possible regulatory changes by ASIC in Australia and other regulatory authorities;

(i) the state of the Australian economy and/or residential mortgage market (which may impact potential buyers);

(j) regulations in Australia that could lead to some terms of the Mortgage Loan Rights being unenforceable; and

(k) other issues which impact on the enforceability of the Mortgage Loan Rights.

Some of these factors are considered in more detail below. However, it should be noted that the Asset Coverage Test, the Amortisation Test, the Pre-Maturity Test and the criteria for Eligible Mortgage Loans are intended to ensure that there will be an adequate amount of Mortgage Loan Rights forming part of the Assets of the Trust and moneys standing to the credit of the GIC Account to enable the Covered Bond Guarantor to repay the Covered Bonds following an Issuer Event of Default that is continuing, service of an Issuer Acceleration Notice on the Issuer and service of a Notice to Pay on the Covered Bond Guarantor and accordingly it is expected (but there is no assurance) that Selected Mortgage Loan Rights could be realised for sufficient values to enable the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Value of the Mortgage Loan Rights forming part of the Assets of the Trust

The guarantee granted by the Covered Bond Guarantor in respect of the Covered Bonds, will, *inter alia*, be backed by the Covered Bond Guarantor's interest in the Mortgage Loan Rights forming part of the Assets of the Trust. Since the economic value of the Mortgage Loan Rights forming part of the Assets of the Trust may increase or decrease, the value of the Covered Bond Guarantor's assets may decrease (for example, if there is a general decline

in property values). None of the Issuer, the Sellers or the Covered Bond Guarantor makes any representation, warranty or guarantee that the value of Land secured by a Mortgage will remain at the same level as it was on the date of the origination of the related Mortgage Loan or at any other time. The value of the Mortgage Loan Rights forming part of the Assets of the Trust may have been significantly reduced by an overall decline in property values experienced by the residential property market in Australia. This, ultimately, may result in losses to the Covered Bondholders if such security is required to be enforced.

Limited recourse to the Servicer or MBL Seller in respect of a breach of Representations and Warranties

The Covered Bond Guarantor, the Bond Trustee and the Security Trustee will not undertake any investigations, searches or other actions on any Mortgage Loan Rights and will rely instead on the Representations and Warranties given in the Mortgage Sale Agreement by (i) the Servicer in respect of the Mortgage Loan Rights sold by the PUMA Funds Seller or (ii) the MBL Seller in respect of the Mortgage Loan Rights sold by the MBL Seller, in each case, to the Covered Bond Guarantor.

In the event of a material breach of any of the Representations and Warranties made by the Servicer or the MBL Seller (as applicable) or if any of the Representations and Warranties proves to be materially incorrect, in each case in respect of any Mortgage Loan Rights forming part of the Assets of the Trust as at the date on which such representation and warranty is given (having regard to, among other things, whether a loss is likely to be incurred in respect of the Mortgage Loan to which the breach relates after taking into account the likelihood of recoverability or otherwise of any sums under any applicable Insurance Policies), then following notice being given by the Trust Manager, a Seller, the Bank, the Servicer or the Origination Manager to the Covered Bond Guarantor or the Covered Bond Guarantor giving notice to the Trust Manager, a Seller, the Bank, the Servicer or the Origination Manager, if the breach is not remedied to the Covered Bond Guarantor's satisfaction within five Local Business Days of the Trust Manager, the relevant Seller, the Bank, the Servicer or the Origination Manager giving or receiving the notice (as the case may be), the Servicer will be required to pay (or procure payment of, by its Nominee (which may, for the avoidance of doubt, be the PUMA Funds Seller or the Bank)) to the Covered Bond Guarantor an amount equal to the sum of the Current Principal Balance of the relevant Mortgage Loan (as recorded on the Mortgage Loan System) and arrears of interest and accrued interest, following which the Covered Bond Guarantor will treat the Mortgage Loan as having been paid in full.

There can be no assurance that the Servicer (or its Nominee), in the future, will have the financial resources to purchase Mortgage Loan Rights from the Covered Bond Guarantor. However, if the Servicer (or its Nominee (which may, for the avoidance of doubt, be the PUMA Funds Seller or the Bank)) does not purchase those Mortgage Loan Rights which are in material breach of the Representations and Warranties as at the date which these are given, then the LVR Adjusted Mortgage Loan Balance Amount and the Asset Percentage Adjusted Mortgage Loan Balance Amount of those Mortgage Loans will each be given a zero value in the calculation of the Adjusted Aggregate Mortgage Loan Amount for the purposes of the Asset Coverage Test. The Adjusted Aggregate Mortgage Loan Amount is calculated by reference to the lesser of the aggregate LVR Adjusted Mortgage Loan Balance Amount and the aggregate Asset Percentage Adjusted Mortgage Loan Balance Amount of each Mortgage Loan forming part of the Assets of the Trust, and accordingly those Mortgage Loans in respect of which there is a material breach of the Representations and Warranties will not be attributed any value for the purposes of that calculation. Defaulted Mortgage Loans are also given a zero value in calculating both the LVR Adjusted Mortgage Loan Balance Amount and the Asset Percentage Adjusted Mortgage Loan Balance Amount. There is no further recourse to the Servicer or the MBL Seller (as applicable) in respect of a material breach of a Representation or Warranty.

No representations or warranties to be given by the Covered Bond Guarantor, the Sellers or the Servicer if Selected Mortgage Loan Rights are to be sold

Following the service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (which has not been deemed to be revoked), a breach of the Pre-Maturity Test or the service on the Covered Bond Guarantor of a Notice to Pay (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Covered Bond Guarantor will be obliged to commence an offer process to sell Selected Mortgage Loan Rights then forming part of the Assets of the Trust to third party purchasers, subject to a right of pre-emption enjoyed by the Bank pursuant to the terms of the Mortgage Sale Agreement (see "*Overview of the Principal Documents – Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*").

In respect of any sale of Selected Mortgage Loan Rights to third parties, however, none of the Covered Bond Guarantor, the relevant Seller or the Servicer will give representations or warranties in respect of those Selected Mortgage Loan Rights (unless expressly agreed by the Security Trustee or otherwise agreed with the Covered

Bond Guarantor, the relevant Seller or the Servicer, as the case may be). Any Representations and Warranties previously given by the Servicer or the MBL Seller (as applicable) in respect of the Mortgage Loans forming part of the Assets of the Trust may not have value for a third party purchaser if the Servicer or the MBL Seller (as applicable) is then insolvent. Accordingly, there is a risk that the realisable value of the Selected Mortgage Loan Rights could be adversely affected by the lack of representations and warranties which in turn could adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Australian Mortgage Market

The PUMA Funds Seller's and the Bank's business include mortgage lending in Australia with loans secured against residential property, though the PUMA Funds Seller no longer engages in new mortgage lending. Any deterioration in the quality of the Mortgage Loan Rights forming part of the Assets of the Trust could have an adverse effect on the Covered Bond Guarantor's ability to make payment under the Covered Bond Guarantee. There can be no assurance that the housing market will not deteriorate. An increase in household indebtedness, a decline in house prices or an increase in interest rates could have an adverse effect on the Australian mortgage market, which could be exacerbated by different types of mortgages in the market, such as interest-only loans.

Changes in the Australian economic environment may affect the rate at which the Bank originates new Mortgage Loans and may also affect the level of attrition of the PUMA Funds Seller's and the Bank's existing Borrowers, which could in turn adversely affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

Geographic concentration of the Mortgage Loans

To the extent that specific geographic regions have experienced or may experience in the future weaker regional economic conditions and housing markets than other regions, a concentration of the Mortgage Loans in such a region may be expected to exacerbate any or all of the risks relating to the Mortgage Loans described in this section. The Covered Bond Guarantor can predict neither when nor where such regional economic declines may occur nor to what extent or for how long such conditions may continue but if the timing and payment of the Mortgage Loans forming part of the Assets of the Trust is adversely affected as described above, the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee could be reduced or delayed.

In particular, all of the Land in respect of the Mortgage Loans is located in Australia and a weakening in the Australian economy could adversely affect both the Borrowers in relation to such Mortgage Loans and the Issuer.

There is no guarantee that the geographic concentration risk within Australia will be mitigated by the way the pool of Mortgage Loans is selected for the Trust, as the Mortgage Loans may not be selected from different geographic regions within Australia.

Default by Borrowers in paying amounts due on their Mortgage Loans

Borrowers may default on their obligations due under the Mortgage Loans. Defaults may occur for a variety of reasons. The Mortgage Loans are affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal on the Mortgage Loans. These factors include climatic events, geological events, such as volcanic or seismic activity, wildfires, plant or animal diseases or other extrinsic events, such as pandemics and changes in the national, regional or international economic climate such as: volatility in interest rates; lack of liquidity in wholesale funding markets in periods of stressed economic conditions, economic or political crisis; the level of competition in the mortgage loan market; housing market illiquidity and downward price pressure; commencement of recession and employment fluctuations; the availability of financing; consumer perception as to the continuing availability of credit and price competition which may have an adverse impact on delinquency and repossession rates; inflation; yields on alternative investments; and political developments and government policies, including changes in tax laws. Other factors in Borrowers' individual, personal or financial circumstances may also affect the ability of Borrowers to repay the Mortgage Loans. Loss of earnings, illness, separation, divorce, unemployment and other similar factors may lead to an increase in delinquencies by and bankruptcies of Borrowers, and could ultimately have an adverse impact on the ability of Borrowers to repay the Mortgage Loans. These factors may have a more significant effect on a Borrower's ability to repay depending on the Borrower's type of mortgage.

The mortgage loan market in Australia is highly competitive. This competitive environment may affect the rate at which the MBL Seller originates new Mortgage Loans, lending spreads and may also affect the repayment rate of existing Mortgage Loans.

The rate of prepayments on Mortgage Loans may be increased due to Borrowers refinancing their Mortgage Loans and sales of any property charged by a Mortgage (either voluntarily by Borrowers or as a result of enforcement action taken), as well as the receipt of proceeds from other investments, buildings insurance and life assurance policies. The rate of prepayment of Mortgage Loans may also be influenced by the presence or absence of early repayment charges or changes to the way Mortgage Loans are administered by the Servicer in accordance with the Servicing Guidelines, as amended from time to time.

In addition, the ability of a Borrower to sell a property charged by a Mortgage which secures a Mortgage Loan at a price sufficient to repay the amounts outstanding under that Mortgage Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values and the property market in general at the time of such proposed sale. Downturns in the Australian economy have had a negative effect on the housing market.

If the timing and payment of the Mortgage Loans is adversely affected by any of the events described above, the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee could be reduced or delayed. In addition, the risks described above could limit the ability of the MBL Seller to originate new Mortgage Loans to sell to the Covered Bond Guarantor in order to satisfy the Asset Coverage Test.

The Current Principal Balance of any Mortgage Loans forming part of the Assets of the Trust that are Defaulted Mortgage Loans will be given a zero value for the purposes of any calculation of the Asset Coverage Test, the Amortisation Test and the Legislated Collateralisation Test.

Enforcement of Mortgage Loans can involve substantial costs and delays and may not permit full recovery by the Servicer

In order to enforce the Mortgage Loans in certain situations, such as Defaulted Mortgage Loans, a court order or other judicial or administrative proceedings may be needed in order to establish the Borrower's obligation to pay and to enable a sale by executive measures. Such proceedings may involve substantial legal costs and delays before the Servicer is able to enforce such Defaulted Mortgage Loan and any related Mortgage Loan Rights. Such proceedings may face a variety of impediments, including, but not limited to: (i) regulatory and judicial policies and procedures designed to protect borrowers' rights, (ii) judicial or administrative proceedings instigated by borrowers, other creditors or other third parties, (iii) changes in applicable law that may affect the enforceability or amount recoverable in respect of Mortgage Loans and (iv) equitable judicial powers that could delay or halt judicial enforcement proceedings. Even if a sale is successfully completed, the value recovered from a Defaulted Mortgage Loan will also depend upon the prevailing market conditions. Pursuant to the Servicing Deed, the Servicer is not required to pursue such enforcement if it has reasonable grounds to believe that the expenses of such litigation may outweigh the proceeds from such litigation.

Covered Bond Guarantor may initially acquire equitable title only to the Mortgage Loan Rights

Mortgage Loans forming part of the Assets of the Trust may have been originated by either the PUMA Funds Seller or the MBL Seller.

Where a Mortgage Loan forming part of the Assets of the Trust has been originated in the name of Perpetual Limited in its capacity as trustee of the PUMA Programme, Perpetual Limited holds legal title to such Mortgage Loan Rights.

In relation to Mortgage Loan Rights which have been sold by the MBL Seller to the Covered Bond Guarantor, legal title to those Mortgage Loan Rights will remain with the Bank and the Covered Bond Guarantor will initially hold only equitable title to the Mortgage Loan Rights forming part of the Assets of the Trust as the Borrower in respect of the relevant Mortgage Loan will not be notified of the assignment of the related Mortgage Loan Rights to the Covered Bond Guarantor. This is different to holding legal title to the Mortgage Loan Rights which would require that the Covered Bond Guarantor not only has possession of the mortgage title documents, but also that transfers of Mortgages to the Covered Bond Guarantor be filed with the land title offices in the appropriate Australian jurisdictions and that notice of such assignment be given to the Borrower. However, the Covered Bond Guarantor is entitled to take certain steps to protect its interest in, and title to, such Mortgage Loan Rights in limited circumstances, referred to as Perfection of Title Events. Until a Perfection of Title Event has occurred, the Covered Bond Guarantor will not give notice of the equitable sale of the Mortgage Loan Rights to any Borrower or register or record its interest in the Mortgages at any land title offices or take any other steps to perfect its title to the Mortgages.

At any time during which the Covered Bond Guarantor does not hold legal title to the Mortgage Loan Rights or has not provided notification to the relevant Borrower, risks which are customary in equitable title covered bond programmes, such as those covered bond programmes established by other Australian ADIs will exist. These risks are as follows:

(a) first, if the legal title holder wrongly sells Mortgage Loan Rights, which have already been sold to the Covered Bond Guarantor, to another person, that person would acquire an interest in such Mortgage Loan Rights either:

(i) free of any interest of the Covered Bond Guarantor if that acquisition was made for value and any security interest held by the Covered Bond Guarantor in relation to the Mortgage Loan Rights was not perfected for the purposes of the PPSA at the time of the acquisition; or

(ii) ranking in priority to the Covered Bond Guarantor's interest if that person acquires a perfected security interest in the Mortgage Loan Rights where the Covered Bond Guarantor's interest was not perfected for the purposes of PPSA at the time that person's security interest was perfected.

However, the risk of third party claims obtaining priority to the interests of the Covered Bond Guarantor would be likely to be limited to circumstances arising from a breach by the legal title holder of its contractual obligations or fraud, negligence or mistake on the part of the legal title holder, the Sellers or the Covered Bond Guarantor or their respective personnel or agents. Additionally, for the purpose of protecting the Covered Bond Guarantor's interests and security interests in the Mortgage Loan Rights, the Trust Manager has agreed to do all things reasonably necessary to permit any security interest held by the Covered Bond Guarantor in relation to the Mortgage Loan Rights to be perfected by registration on the PPSA register. However, if such registration is not completed or is completed incorrectly, the Covered Bond Guarantor's security interest in relation to a Mortgage Loan Right may not be perfected and a third party may be able to take an interest in that Mortgage Loan Right free of any interest held by the Covered Bond Guarantor or take a security interest which ranks in priority to any security interest of the Covered Bond Guarantor;

(b) secondly, until notice of the transfer to the Covered Bond Guarantor has been provided to the relevant Borrowers, the rights of the Covered Bond Guarantor may be subject to the rights of the Borrowers against the legal title holder, as applicable, such as rights of set-off, which occur in relation to transactions made between Borrowers and the legal title holder, and the rights of Borrowers to redeem their Mortgages by repaying the Mortgage Loans directly to the legal title holder. In addition, section 80(7) of the PPSA provides that an obligor in relation to a receivable will be entitled to make payments to, and obtain a good discharge from, the seller of a receivable rather than directly to, and from, the purchaser of the receivable until such time as the obligor receives a notice of the assignment of the relevant receivable that complies with the requirements of section 80(7)(a) of the PPSA (including a statement that payment is to be made to the purchaser of the receivable). If, however, an obligor receives a notice that complies with the requirements of section 80(7)(a) of the PPSA from any person other than the seller of the receivable, the obligor requests the purchaser of the receivable to provide proof of the assignment and the purchaser of the receivable fails to provide that proof within 5 business days of the request, the obligor may continue to make payments to the seller. Accordingly, after a Perfection of Title Event has occurred and legal title to the Mortgage Loans and Related Security has been transferred to the Covered Bond Guarantor, a Borrower in relation to any Mortgage Loan may in certain circumstances nevertheless make payments to the legal title holder and obtain a good discharge from the legal title holder notwithstanding the legal assignment of the relevant Mortgage Loans and Related Security to the Covered Bond Guarantor, if the Covered Bond Guarantor fails to comply with these notice requirements. However, this risk will be mitigated by the fact that the legal title holder will be required to provide powers of attorney to permit the giving of notice of such an assignment of the Mortgage Loan Rights to the relevant Borrower in the name of the legal title holder; and

(c) thirdly, unless the Covered Bond Guarantor has perfected its title to the Mortgage Loan Rights (which it will only be entitled to do in certain limited circumstances), the Covered Bond Guarantor would not be able to enforce any Borrower's obligations under the related Mortgage Loan itself but would have to join the legal title holder as a party to any legal proceedings.

If the Covered Bond Guarantor were to acquire Mortgage Loans in respect of which Perpetual Limited does not hold legal title and the risks customary to other equitable title covered bond programmes described in paragraphs (a), (b) or (c) above were to occur, then the realisable value of the Mortgage Loan Rights forming part

of the Assets of the Trust or any part thereof and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected.

The Servicing Guidelines

The Servicer is able to exercise certain discretions in relation to servicing the Mortgage Loans Rights forming part of the Assets of the Trust, including the right to amend or revise the Servicing Guidelines from time to time. See further the section "*Overview of the Principal Documents – Servicing Deed*".

Each of the Mortgage Loans forming part of the Assets of the Trust originated by the Sellers will have been originated in accordance with the Servicer's policies and guidelines applicable at the time of origination. The Servicer's policies and guidelines consider a variety of factors such as a potential Borrower's credit history, employment history and status and repayment ability, as well as the value of the Land to be mortgaged. In the event of the sale of any new Mortgage Loan Rights to the Covered Bond Guarantor, representations and warranties will at such time be given by the Servicer or the MBL Seller (as applicable) to the Covered Bond Guarantor that the Mortgage Loans relating to such new Mortgage Loan Rights were originated in accordance with the Servicer's or the MBL Seller's (as applicable) standard procedures in relation to origination and at the time of such sale, the characteristics of the Mortgage Loan Rights forming part of the Assets of the Trust could change.

Changes in the Servicing Guidelines could lead to a delay or reduction in the payments received by the Covered Bondholders under the Covered Bond Guarantee.

Risk Sharing Agreements

The Bank has entered into risk sharing agreements (the **Risk Sharing Agreements**) with Macquarie (Bermuda) Limited (the **Risk Participant**) pursuant to which the Bank is required to pay certain fees and other amounts to the Risk Participant and the Risk Participant may be required to make certain payments to the Bank to partially compensate it for losses arising in connection with a referenced portfolio of Mortgage Loans (for example, because of an insufficiency in recoveries following default and enforcement occurring in respect of one or more of the Mortgage Loans comprised in that referenced portfolio). The Risk Sharing Agreements extend to, among other Mortgage Loans, some of the Mortgage Loans to be acquired by the Covered Bond Guarantor from the MBL Seller.

The obligation of the Risk Participant to make a payment to the Bank under the Risk Sharing Agreements is subject to:

(a) the Bank first bearing an agreed proportion of loss on the referenced portfolio of Mortgage Loans and in the case of the quota share risk sharing agreement, the Bank and the Risk Participant bear an agreed proportion, being a *pari-passu* arrangement, of first loss on the referenced portfolio of Mortgage Loans; and

(b) a ceiling, in the form of an agreed proportion of loss on the referenced portfolio of Mortgage Loans, above which all loss on the referenced portfolio of Mortgage Loans will be borne by the Bank.

Pursuant to the Mortgage Sale Agreement, the MBL Seller has assigned to the Covered Bond Guarantor all net payment amounts actually received by the MBL Seller under or in connection with the Risk Sharing Agreements to the extent that such amount is reasonably determined by the MBL Seller to be referable to a loss incurred on that Mortgage Loan.

Covered Bondholders and prospective Covered Bondholders should note that as a consequence of the structured nature of the Risk Sharing Agreements, there is no certainty that the Covered Bond Guarantor will receive any amounts in respect of the Risk Sharing Agreements and any such amount ultimately receivable by the Covered Bond Guarantor may be immaterial and significantly insufficient to compensate the Covered Bond Guarantor for any amount of loss suffered in respect of any Mortgage Loans held by it. Amounts payable under the Risk Sharing Agreements should not be equated to a mortgage insurance policy. Covered Bondholders and prospective Covered Bondholders should not ascribe any credit benefit to these arrangements when making a decision to invest in the Covered Bonds and should not otherwise consider these arrangements as a means for the Covered Bond Guarantor to meet its payment obligations in respect of the Covered Bonds.

Borrower may fail to maintain property insurance

In respect of each loan which is sold by the MBL Seller to the Covered Bond Guarantor, it is a condition of each Borrower's loan contract and mortgage documentation that the Borrower or an associated guarantor must maintain insurable value property insurance over the mortgaged property at all times during the term of the Mortgage Loan.

The MBL Seller verifies that the mortgaged property has the required insurance at the time of origination of each Mortgage Loan. However, the MBL Seller does not verify on an ongoing basis that the Borrower or any guarantor has in place property insurance for the mortgaged property (and none of the Trust Manager, the Servicer or the Covered Bond Guarantor is required to undertake such verification).

Accordingly, to the extent that the Borrowers or the relevant guarantors (as applicable) do not comply with these insurance requirements, there is a risk that certain mortgaged properties are not insured, which may affect the value of those mortgaged properties and what might be recovered if the security over those mortgaged properties is required to be enforced when the mortgaged properties have been damaged or destroyed by an event which is ordinarily insurable.

LEGAL AND OTHER CONSIDERATIONS

Changes to the current law and/or regulations

No assurance can be given that additional regulations, laws or guidance from regulatory authorities in Australia will not arise with regard to the mortgage market in Australia generally, the Bank's and the PUMA Funds Seller's particular sector in that market, specifically in relation to the Bank or the PUMA Funds Seller, as the case may be, or in relation to the issuance of covered bonds by deposit-taking institutions regulated under the Australian Banking Act. Any such action or developments or compliance costs may have a material adverse effect on the Mortgage Loan Rights, the PUMA Funds Seller, the Bank, the Covered Bond Guarantor, the Issuer and/or the Servicer and their respective businesses and operations. This may adversely affect the ability of the Covered Bond Guarantor to dispose of any Mortgage Loan Rights forming part of the Assets of the Trust in a timely manner and/or the realisable value of the Mortgage Loan Rights forming part of the Assets of the Trust or any part thereof and accordingly affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee when due.

Basel Capital Accord

Implementation of the Basel framework may have an impact on the capital requirements in respect of the Covered Bonds and/or on incentives to hold the Covered Bonds for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Covered Bonds. See the section "*Macquarie Bank Limited – Regulatory Oversight and Recent Developments*" in this Prospectus for a description of the Basel framework and Basel III (as discussed below).

APRA's implementation of the Basel III capital framework began on 1 January 2013, following a period of consultation with Australian authorised deposit-taking institutions.

APRA has now fully implemented the Basel III Liquidity Coverage Ratio (**LCR**) and qualitative framework into local prudential standards. The LCR was implemented as a prudential requirement on 1 January 2015, with a minimum LCR of 100 per cent. required of all ADIs subject to the ratio (notwithstanding the Basel Committee on Banking Supervision (**Basel Committee**) permits a phase-in approach of LCR requirements). In November 2014, the Basel Committee released final requirements for the remaining liquidity metric – the Net Stable Funding Ratio (**NSFR**) – which was implemented as a global minimum from 1 January 2018. APRA has settled the local standards in respect of NSFR which became effective from 1 January 2018.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Covered Bonds and as to the consequences for and effect on them of any changes to the Basel framework (including the changes described above) and the relevant implementing measures by APRA. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Restrictions on Transfer

The Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to or for the benefit of U.S. persons unless such

securities are registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

No sale, assignment, participation, pledge or transfer of a Covered Bond or any interest therein may be made unless made in compliance with the transfer and selling restrictions set forth under "*Subscription and Sale and Selling Restrictions*" in this Prospectus.

As Covered Bonds will be held by a clearing system, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Covered Bonds (other than A$ Registered Covered Bonds) issued under the Programme may be represented by one or more Global Covered Bonds. Such Global Covered Bonds will be deposited with a common depositary or common safekeeper for DTC and/or Euroclear and/or Clearstream, Luxembourg and/or an Alternative Clearing System. Apart from the circumstances described in the relevant Global Covered Bond, investors will not be entitled to Covered Bonds in definitive form.

DTC and/or Euroclear and/or Clearstream, Luxembourg and/or any relevant Alternative Clearing System will maintain records of the beneficial interests in the Global Covered Bonds. While the Covered Bonds are represented by one or more Global Covered Bonds, investors will be able to trade their beneficial interests only through, in the case of Global Covered Bonds, DTC and/or Euroclear and/or Clearstream, Luxembourg and/or any Alternative Clearing System.

While the Covered Bonds (other than A$ Registered Covered Bonds) are represented by one or more Global Covered Bonds, the Issuer will discharge its payment obligations under the Covered Bonds by making payments to the common depositary or common safekeeper for DTC and/or Euroclear and/or Clearstream, Luxembourg and/or any Alternative Clearing System for distribution to their relevant account holders. A holder of a beneficial interest in a Global Covered Bond must rely on the procedures of DTC and/or Euroclear and/or Clearstream, Luxembourg and/or any relevant Alternative Clearing System to receive payments under the relevant Covered Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Covered Bonds.

Holders of beneficial interests in Global Covered Bonds will not have a direct right to vote in respect of the relevant Covered Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by DTC and/or Euroclear and/or Clearstream, Luxembourg and/or any relevant Alternative Clearing System to appoint appropriate proxies.

A$ Registered Covered Bonds issued under the Programme may be lodged with Austraclear. While any A$ Registered Covered Bonds are lodged in Austraclear, the beneficial interests in the A$ Registered Covered Bonds will be transferable only in accordance with the Austraclear Regulations.

Withholding Tax Obligations

There may be occasions in which an amount of, or in respect of, tax is required to be withheld from a payment in respect of any Covered Bond and in respect of which neither the Issuer, the Covered Bond Guarantor, any Paying Agent nor any other person would be obliged to pay additional amounts with respect to such Covered Bond as set out in Condition 7 (see the section "*Terms and Conditions of the Covered Bonds*" in this Prospectus). The Covered Bond Guarantor in particular will never be obliged to pay such additional amounts in respect of such withholding.

Differences in timings of obligations of the Covered Bond Guarantor and the Covered Bond Swap Provider under the Covered Bond Swaps

The Covered Bond Guarantor will, following service of a Notice to Pay on the Covered Bond Guarantor, pay or provide for payment of an amount to each corresponding Covered Bond Swap Provider on a monthly basis. The Covered Bond Swap Provider may not be obliged to make corresponding swap payments to the Covered Bond Guarantor under a Covered Bond Swap until amounts are Due for Payment under the Covered Bond Guarantee. If a Covered Bond Swap Provider does not meet its payment obligations to the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement or such Covered Bond Swap Provider does not make a termination payment that has become due from it to the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement, the Covered Bond Guarantor may have a larger shortfall in funds with which to make payments under the Covered Bond Guarantee with respect to the Covered Bonds than if the Covered Bond Swap Provider's payment obligations coincided with the Covered Bond Guarantor's payment obligations under the relevant Covered Bond Swap. Hence, the difference in timing between the obligations of the Covered Bond Guarantor and

the obligations of the Covered Bond Swap Providers under the Covered Bond Swaps may affect the Covered Bond Guarantor's ability to make payments, following service of a Notice to Pay on the Covered Bond Guarantor, under the Covered Bond Guarantee with respect to the Covered Bonds. A Covered Bond Swap Provider may be required, following a downgrade of its credit ratings and/or counterparty risk assessment below the credit ratings or counterparty risk assessment, as applicable, specified in the relevant Covered Bond Swap Agreement pursuant to the terms of that Covered Bond Swap Agreement, to post collateral with the Covered Bond Guarantor.

Covered Bonds where denominations involve integral multiples: definitive Covered Bonds

In relation to any issue of Covered Bonds that have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Covered Bonds may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a Covered Bondholder who, as a result of trading such amounts, holds a principal amount which (after deducting integral multiples of such minimum Specified Denomination) is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a Definitive Covered Bond in respect of such holding (should Definitive Covered Bonds be printed) and would need to purchase an additional principal amount of Covered Bonds such that it is holding amounts to the minimum Specified Denomination. If Definitive Covered Bonds are issued, Covered Bondholders should be aware that Definitive Covered Bonds that have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Covered Bonds in the relevant Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Covered Bonds; (2) the Investor's Currency equivalent value of the principal payable on the Covered Bonds; and (3) the Investor's Currency equivalent market value of the Covered Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal in respect of the Covered Bonds.

In addition, events may occur that, from a legal or practical perspective, make it impossible or not reasonably practicable to convert one currency into another currency, as may be required in order to make a determination or payment in respect of the Covered Bonds. The occurrence of such an inconvertibility event may result in payment under the Covered Bonds being delayed and/or an investor receiving payment in a currency other than the Specified Currency.

Changes of law and/or regulatory, accounting and/or administrative practices

The structure of the issue of the Covered Bonds and the ratings which are to be assigned to them are based on Australian law, regulatory, accounting and administrative practice in effect as at the date of this Prospectus, and having due regard to the expected tax treatment of all relevant entities under Australian tax law and the published practice of the Australian Taxation Office (**ATO**) in force or applied in Australia as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to Australian law, regulatory, accounting or administrative practice in Australia or to Australian tax law, or the interpretation or administration thereof, or to the published practice of the ATO as applied in Australia after the date of this Prospectus, nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Covered Bonds when due or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee when due.

Covered Bonds may be subject to change in regulation

Regulatory changes could have an adverse impact on the regulatory treatment of covered bonds. There are certain measures for increased or revised regulation relating to covered bonds (such as the Covered Bonds) which are currently at various stages of implementation and the outcomes of which are currently uncertain.

Such changes in the domestic or global regulation or regulatory treatment of covered bonds may have an adverse impact on the regulatory treatment of affected investors and consequently may have an adverse impact on the value, liquidity and/or capital treatment of covered bonds (such as the Covered Bonds) for those affected investors.

To the extent that such new or amended regulations require action by any person, or amendments to the terms of any Covered Bonds, there is no assurance or guarantee that the Issuer, the Covered Bond Guarantor, the Bond Trustee or any other person will, or will be able to, comply with any such new or amended regulations. Prospective investors in the Covered Bonds should consult with their own legal and investment advisers regarding the potential impact on them and the related compliance of investing in, holding and trading in any Covered Bonds.

Anti-Money Laundering and Counter-Terrorism Financing Act

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 of Australia (including as amended by the Anti-Money Laundering and Counter-Terrorism Financing Amendment Act 2024 of Australia, the **AML-CTF Act**) sets out the anti-money laundering and counter-terrorism financing obligations that apply to reporting entities, which includes financial services institutions that provide designated services (there is also legislation which prevents payments to and transactions in connection with certain sanctioned persons and countries). Under the AML-CTF Act, a reporting entity will be prohibited from providing any of the following services to a customer before the entity has successfully carried out the applicable customer identification procedures in respect of the customer:

(a) opening or providing an account, allowing any transaction in relation to an account or receiving instructions to transfer money in and out of the account;

(b) issuing, dealing, acquiring, disposing of, cancelling or redeeming a security;

(c) exchanging one currency for another; and

(d) sending and receiving electronic funds transfer instructions and international funds transfer instructions.

The obligations placed on an entity include that entity undertaking customer identification procedures before a designated service is provided and receiving information about international and domestic institutional transfer of funds. Until the obligations have been met an entity will be prohibited from providing funds or services to a party or making any payments on behalf of a party. Compliance with the AML-CTF Act may adversely affect the ability of any party to a Programme Document to make payments when due and this, in turn, may affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee when due. See also "*Macquarie Bank Limited — Regulatory Oversight and Recent Developments — APRA Regulatory Developments — Other developments in Australia — Australian AML-CTF reforms*".

Personal Property Securities regime

The Personal Property Securities Act 2009 (Cth) (**PPSA**) established a national system for the registration of security interests in personal property, together with new rules for the creation, priority and enforcement of security interests in personal property. The PPSA took effect on 30 January 2012 (the **PPSA Start Date**) and has been, and will continue to be, amended from time to time. Security interests for the purposes of the PPSA include traditional securities such as charges and mortgages. However, they also include transactions that, in substance, secure payment or performance of an obligation but may not be legally classified as securities. Further, certain other interests are deemed to be security interests whether or not they secure payment or performance of an obligation, these deemed security interests include assignments of certain property.

A person who holds a security interest under the PPSA will need to register (or otherwise perfect) the security interest to ensure that the security interest has priority over competing interests (and in some cases, to ensure that the security interest survives the insolvency of the grantor). If they do not do so:

(a) another security interest may take priority;

(b) another person may acquire an interest in the assets which are subject to the security interest free of their security interest; or

(c) they may not be able to enforce the security interest against a grantor who becomes insolvent.

The Trust Manager will ensure that any security interests arising under the Programme Documents (or a transaction in connection with them other than the Mortgage Loans or the Mortgages themselves) will be perfected under the PPSA.

Consumer Credit Legislation

The National Consumer Credit Protection Act 2009 which includes the National Credit Code (together, the **NCCP**), commenced operation on 1 July 2010 and has been, and will continue to be, amended from time to time. The National Credit Code applies (with some limited exceptions) to Mortgage Loans that had previously been regulated under the Uniform Consumer Credit Code (the **UCCC**) and also to all new Mortgage Loans made after 1 July 2010. Accordingly, some of the Mortgage Loans and related Mortgages and guarantees may be regulated by the UCCC and others may be regulated by the NCCP.

The NCCP incorporates a requirement for providers of credit related services to hold an "Australian credit licence", and to comply with "responsible lending" requirements, including a mandatory "unsuitability assessment" before a loan is made or there is an agreed increase in the amount of credit under a mortgage loan. Obligations under the NCCP extend to the Sellers and the Servicer in respect of any Mortgage Loans which are Assets of the Trust and to their respective service providers in respect of those Mortgage Loans. Under the UCCC and the NCCP, a debtor, guarantor or mortgagor may also have a right to apply to a court to:

(a) vary the contractual terms applicable to that Mortgage Loan on the grounds of hardship or that it is an unjust contract;

(b) reduce or cancel any interest rate payable on the Mortgage Loan which is unconscionable;

(c) have certain provisions of the Mortgage Loan and related Mortgages and guarantees which are in breach of the legislation declared unenforceable; or

(d) obtain restitution or compensation in relation to any breach of the UCCC or the NCCP.

Breaches of the UCCC and/or the National Consumer Credit Protection Laws may also lead to civil penalties or criminal fines being imposed on a Seller for so long as it holds legal title to the Mortgage Loans and the related Mortgages and/or is a "credit provider" with respect to the Mortgage Loans and related Mortgages which are Assets of the Trust under the National Credit Code. The Covered Bond Guarantor will be indemnified out of the Assets of the Trust for liabilities it incurs under the UCCC and the National Consumer Credit Protection Laws. Where the Covered Bond Guarantor is held liable for breaches of the UCCC and/or the National Consumer Credit Protection Laws, the Covered Bond Guarantor must seek relief initially under any indemnity provided to it by the Servicer before exercising its rights to recover against any Assets of the Trust.

Unfair Terms

The Australian Securities and Investments Commission Act 2001 (Cth) (the **ASIC Act**) sets out a national unfair terms regime in respect of financial products and services whereby a term of a standard form consumer contract entered into or varied on or after 1 July 2010 will be unfair, and therefore void, if it causes a significant imbalance in the parties' rights and obligations under the contract, is not reasonably necessary to protect the supplier's legitimate interests and it would cause detriment to a party if applied or relied on.

Contracts in respect of financial products and services entered into before 1 July 2010 may be subject to unfair terms regimes as previously enacted by a particular State or Territory of Australia but subsequently superseded by the ASIC Act regime and equivalent remedies to those outlined above may be available under those superseded regimes in respect of any unfair terms contained in such legacy contracts.

On 9 November 2022, the Treasury Laws Amendment (More Competition, Better Prices) Bill 2022 received Royal Assent and came into effect on 9 November 2023. It established a civil penalty regime prohibiting the use of, and reliance on, unfair contract terms in certain standard form contracts. It also expanded the class of contracts covered by the unfair contract terms regime (e.g., any contracts relating to financial products and services regulated under the Australian Securities and Investments Commission Act 2001 with the counterparty being a business that employs less than 100 people or has a turnover for the last fiscal year of less than A$10 million are now captured if the upfront price payable under the contract does not exceed A$5 million). The Bank made appropriate changes to its processes and policies as necessary.

Effect of Orders

An order made under any of the above consumer credit laws may affect the timing or amount of interest, fees or charges, principal payments or other collections under the relevant Mortgage Loans which may in turn affect the timing or amount of interest and principal payments under the Covered Bonds by the Covered Bond Guarantor, following the occurrence of an Issuer Event of Default and the service of an Issuer Acceleration Notice or the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice.

Servicer obligations

The Servicer will make certain representations and warranties that at the time the relevant Seller entered into the Mortgage relating to the Mortgage Loan each Mortgage, Loan Agreement and Collateral Security complied in all material respects with applicable laws (including applicable UCCC laws and the National Consumer Credit Protection Laws, as applicable) and, as at the Cut-Off Date, the Servicer is not aware of any failure by it to comply with the National Consumer Credit Protection Laws (if applicable) in relation to the Mortgage Loan.

The Servicer has also undertaken to comply with the requirements of any relevant laws in carrying out its obligations under the Programme Documents, including the UCCC and the National Consumer Credit Protection Laws.

Australian insolvency laws

In the event that the Bank is, is likely to become or becomes insolvent, insolvency proceedings are likely to be governed by Australian law or the law of another jurisdiction determined in accordance with Australian law. Australian insolvency laws are, and the laws of that other jurisdiction can be expected to be, different from the insolvency laws of other jurisdictions. In particular, the voluntary administration procedure under the Australian Corporations Act, which provides for the potential re-organisation of an insolvent company, differs significantly from similar provisions under the insolvency laws of other jurisdictions. If the Bank becomes insolvent, the treatment and ranking of holders of Covered Bonds (**Covered Bondholders**) and the Bank's shareholders under Australian law, and the laws of any other jurisdiction determined in accordance with Australian law, may be different from the treatment and ranking of Covered Bondholders and the Bank's shareholders if the Bank were subject to the bankruptcy laws or the insolvency laws of other jurisdictions.

In September 2017, reforms to Australian insolvency laws were passed. Under the Treasury Laws Amendment (2017 Enterprise Incentives No. 2) Act 2017 (Cth) (the **Act**), any right under a contract, agreement or arrangement (such as a right entitling a creditor to terminate a contract or to accelerate a payment under a contract) arising merely because a company, among other circumstances, is under administration, has appointed a managing controller or is the subject of an application under section 411 of the Australian Corporations Act (i.e. "ipso facto rights"), will not be enforceable during a prescribed moratorium period.

The Act applies to "ipso facto rights" arising under contracts, agreements or arrangements, subject to certain exclusions. The Corporations Amendment (Stay on Enforcing Certain Rights) Regulations 2018 (the **Regulations**) sets out the types of contracts that are excluded from the operation of the stay on the enforcement of "ipso facto rights".

The Regulations provide that a contract, agreement or arrangement that is for, or governs securities, financial products, bonds or promissory notes is exempt from the "ipso facto" moratorium. Furthermore, a contract, agreement or arrangement under which a party is or may be liable to subscribe for, or to procure subscribers for, securities, financial products, bonds or promissory notes is also excluded from the stay. Accordingly, the Regulations should exclude the Covered Bonds from the stay. However, since their commencement in 2018, the Act and the Regulations have rarely been the subject of reported judicial interpretation. If the Regulations are determined not to exclude the Covered Bonds from their operation under the exclusions mentioned above or any other exclusion under the Regulations, this may render provisions of the Covered Bonds unenforceable in Australia where those provisions are conditioned solely on the occurrence of events giving rise to "ipso facto rights". Investors should seek independent advice on the implications (if any) of these laws and regulations on their investment in the Covered Bonds.

FORM OF THE COVERED BONDS

Any reference in this section to "applicable Final Terms" shall, where relevant, be deemed to include a reference to "applicable Pricing Supplement".

The Covered Bonds of each Series will be in either bearer form, with or without interest coupons and/or talons attached, or registered form, without interest coupons and/or talons attached. Bearer Covered Bonds, A$ Registered Covered Bonds and Registered Covered Bonds will be issued outside the United States to non-U.S. persons in reliance on the exemption from registration provided by Regulation S. Rule 144A Covered Bonds will only be issued as Registered Covered Bonds and will be issued within the United States in reliance on Rule 144A only to "qualified institutional buyers" (as defined in Rule 144A) under the Securities Act.

Bearer Covered Bonds

The Issuer announces that (a) each Tranche of Bearer Covered Bonds will be initially issued in the form of a temporary global covered bond without interest coupons attached (a **Temporary Bearer Global Covered Bond**) which will:

(i) if the Bearer Global Covered Bonds are intended to be issued in new global note (**NGN**) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear and Clearstream, Luxembourg; and

(ii) if the Bearer Global Covered Bonds are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the relevant Tranche to a common depositary for Euroclear and Clearstream, Luxembourg,

and (b) in connection with the issue, Euroclear and Clearstream, Luxembourg will confer rights in relation to such Bearer Covered Bonds and will record the existence of those rights; and (c) as a result of the issue of such Bearer Covered Bonds in this manner, these rights will be able to be created.

Where the Bearer Global Covered Bonds issued in respect of any Tranche are in NGN form, Euroclear and Clearstream, Luxembourg will be notified as to whether or not such Bearer Global Covered Bonds are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Covered Bonds are to be so held does not necessarily mean that the Covered Bonds of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for Bearer Global Covered Bonds in NGN form will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

Bearer Covered Bonds will only be delivered outside the United States and it possessions.

Whilst any Bearer Covered Bond is represented by a Temporary Global Covered Bond, payments of principal, interest (if any) and any other amount payable in respect of the Bearer Covered Bonds due prior to the Exchange Date (as defined below) will be made (against presentation at the specified office of the Principal Paying Agent or the EU Paying Agent of the Temporary Global Covered Bond (if the Temporary Global Covered Bond is not intended to be issued in NGN form)) only outside the United States and its possessions and to the extent that certification (in a form to be provided by Euroclear and/or Clearstream, Luxembourg) to the effect that the beneficial owners of interests in such Bearer Covered Bond are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Covered Bond is issued, interests in such Temporary Global Covered Bond will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a permanent global covered bond without interest coupons attached (a **Permanent Bearer Global Covered Bond** and, together with the Temporary Global Covered Bonds, the **Bearer Global Covered Bonds** and each, a **Bearer Global Covered Bond**) of the same Series or (b) for Bearer Definitive Covered Bonds of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of Bearer Definitive Covered Bonds, to such notice period as is specified in the applicable Final Terms), in each case against certification of non-U.S. beneficial ownership as described above unless such certification has already been given. Purchasers in the United Stated and certain U.S.

persons will not be able to receive Bearer Definitive Covered Bonds or interests in the Permanent Bearer Global Covered Bond. The holder of a Temporary Bearer Global Covered Bond will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Covered Bond for an interest in a Permanent Bearer Global Covered Bond or for Bearer Definitive Covered Bonds is improperly withheld or refused. Bearer Covered Bonds will be subject to certain restrictions on transfer set forth therein or will bear a legend regarding such restrictions.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Covered Bond will be made outside the United States and its possessions and through Euroclear and/or Clearstream, Luxembourg against presentation or surrender at the specified office of the Principal Paying Agent or the EU Paying Agent (as the case may be) of the Permanent Bearer Global Covered Bond (if the Permanent Global Covered Bond is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Covered Bond will be exchangeable (free of charge), in whole but not in part, for Bearer Definitive Covered Bonds with, where applicable, interest coupons and talons attached upon either (a) provided the Covered Bond has only one Specified Denomination, or has multiple Specified Denominations that are all integral multiples of the minimum Specified Denomination not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) to the Principal Paying Agent as described therein or (b) upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available. The Issuer will promptly give notice to Covered Bondholders of each Series of Bearer Global Covered Bonds in accordance with Condition 12 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) or the Bond Trustee may give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

Bearer Global Covered Bonds, Bearer Definitive Covered Bonds and any Coupons or Talons attached thereto will be issued pursuant to the Principal Agency Agreement.

The exchange of a Bearer Global Covered Bond for Bearer Definitive Covered Bonds upon notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of Covered Bonds) or at any time at the request of the Issuer should not be expressed to be applicable in the applicable Final Terms if the Covered Bonds are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Covered Bonds which is to be represented on issue by a Temporary Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds.

The following legend will appear on all Permanent Bearer Global Covered Bonds and Bearer Definitive Covered Bonds where TEFRA D is specified in the applicable Final Terms, or in the case of Exempt Covered Bonds, the applicable Pricing Supplement, and on all interest coupons and talons relating to such Permanent Bearer Global Covered Bonds and Bearer Definitive Covered Bonds where TEFRA D is specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement):

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Covered Bonds or interest coupons or talons and will not be entitled to capital gains treatment of any gain on any sale or other disposition in respect of such Bearer Covered Bonds or interest coupons or talons.

Covered Bonds which are represented by a Bearer Global Covered Bond will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Covered Bonds

The Registered Covered Bonds of each Tranche offered and sold in reliance on Regulation S will initially be represented by a global covered bond in registered form (a **Regulation S Global Covered Bond**). Prior to expiry of the Distribution Compliance Period applicable to each Tranche of Covered Bonds, beneficial interests in a Regulation S Global Covered Bond may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear or Clearstream, Luxembourg, and such Regulation S Global Covered Bond will bear a legend regarding such restrictions on transfer (see "*Subscription and Sale and Selling Restrictions*").

Subject to the consent of the Bond Trustee (which must be given if certain conditions are met), the Issuer may amend the Programme to allow for the issue of registered bonds in the form of N Covered Bonds (Namensschuldverschreibungen) governed by German law and evidenced by a certificate made out in the name of the holder of the N Covered Bond, as further specified in the applicable Final Terms for the relevant Series.

The Registered Covered Bonds of each Tranche offered and sold in the United States or to U.S. persons will only be offered and sold in private transactions exempt from registration under the Securities Act to "qualified institutional buyers" within the meaning of Rule 144A (**QIBs**) under the Securities Act who agree to purchase the Covered Bonds for their own account or for the account or benefit of other QIBs.

The Registered Covered Bonds of each Tranche sold to QIBs will be represented by a global covered bond in registered form (a **Rule 144A Global Covered Bond** and, together with a Regulation S Global Covered Bond, the **Registered Global Covered Bonds**).

Registered Covered Bonds will either (i) be deposited with a common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of such common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg as specified in the applicable Final Terms or (ii) be deposited with a custodian for, and registered in the name of DTC or its nominee. In the case of a Regulation S Global Covered Bond registered in the name or a nominee of DTC, prior to the end of the distribution compliance period (as defined in Regulation S) applicable to the Covered Bonds represented by such Regulation S Global Covered Bond, interests in such Regulation S Global Covered Bond may only be held through the accounts of Euroclear and Clearstream, Luxembourg.

Persons holding beneficial interests in Registered Global Covered Bonds will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Definitive Covered Bonds in fully registered form.

The Rule 144A Global Covered Bonds will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Covered Bonds will, in the absence of any provision to the contrary, be made to the person shown on the Register on the Record Date (as defined in Condition 6.2) as the registered holder of the Registered Global Covered Bonds. None of the Issuer, the Covered Bond Guarantor, the Bond Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Covered Bonds in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6.2) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Covered Bond will be exchangeable (free of charge), in whole but not in part, for Definitive Registered Covered Bonds without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) in the case of Covered Bonds registered in the name of DTC or a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Covered Bonds and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act; or (ii) in the case of Covered Bonds registered in the name of a nominee for a common depositary or, in the case of Covered Bonds held under NSS, a common safekeeper for Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg, or its nominee, have been closed for

business for a continuous period of 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available. The Issuer will promptly give notice to Covered Bondholders of each Series of Registered Global Covered Bonds in accordance with Condition 12 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear, Clearstream, Luxembourg and/or DTC (acting on the instructions of any registered holder of an interest in such Registered Global Covered Bond) or the Bond Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (ii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange must not occur later than 10 days after the date of receipt of the first relevant notice by the Registrar.

The exchange of a Registered Global Covered Bond for Definitive Covered Bonds in registered form upon notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of Covered Bonds) or at any time at the request of the Issuer should not be expressed to be applicable in the applicable Final Terms if the Covered Bonds are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency).

Definitive Rule 144A Covered Bonds will be issued only in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof (or the approximate equivalents in the applicable Specified Currency).

A$ Registered Covered Bonds

The A$ Registered Covered Bonds are issued in registered form by an entry in the A$ Register maintained by the A$ Registrar.

Entry of the name of the holder in the A$ Register in respect of an A$ Registered Covered Bond constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered holder of the A$ Registered Covered Bonds. A$ Registered Covered Bonds which are held in the Austraclear System will be registered in the name of Austraclear Ltd ABN 94 002 060 773. No certificate or other evidence of title will be issued to holders of the A$ Registered Covered Bonds unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation.

Transfer of Interests

Interests in a Registered Global Covered Bond may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Covered Bond with written certification from the transferor in accordance with the provisions of the Principal Agency Agreement. No beneficial owner of an interest in a Registered Global Covered Bond will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear, Clearstream, Luxembourg and DTC, in each case to the extent applicable.

Transfers of interests in A$ Registered Covered Bonds held in the Austraclear System may be conducted only in accordance with the Austraclear Regulations and the A$ Registry Agreement.

Registered Covered Bonds and A$ Registered Covered Bonds are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus.

General

Pursuant to the Principal Agency Agreement, the Principal Paying Agent will arrange that, where a further Tranche of Covered Bonds is issued which is intended to form a single Series with an existing Tranche of Covered Bonds, the Covered Bonds of such further Tranche will be assigned security numbers (including, but not limited to, a common code, ISIN and, where applicable, a CUSIP) which are different from the security numbers assigned to Covered Bonds of any other Tranche of the same Series until at least the Exchange Date applicable to the Covered Bonds of such further Tranche.

Any reference herein to Euroclear, Clearstream, Luxembourg, DTC and/or the Austraclear System will, whenever the context so permits, be deemed to include a reference to any successor operator and/or successor clearing system and/or additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Bond Trustee.

No Covered Bondholder or Couponholder is entitled to proceed directly against the Issuer or the Covered Bond Guarantor or to take any action with respect to the Bond Trust Deed or to directly enforce the provisions of any other Programme Document, unless the Bond Trustee or, as the case may be, the Security Trustee, having become so bound to proceed, fails or is unable to do so within a reasonable period and the failure or inability will be continuing.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Covered Bonds issued under the Programme which are not Exempt Covered Bonds and which have a minimum denomination of €100,000 (or its equivalent in any other currency).

[**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]1

[**UK MiFIR PRODUCT GOVERNANCE – PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.][1]

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

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook (**DISC**) for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

[**NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE** – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations**

[1] This version of the legend to be included on front of the Final Terms if transaction involves one or more manufacturer(s) subject to MiFID II or/and UK MiFIR, and if following the "ICMA 1" approach.

2018), the Issuer has determined the classification of the Covered Bonds as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)][2]

[Date]

Macquarie Bank Limited
Issuer Legal Entity Identifier (LEI): 4ZHCHI4KYZG2WVRT8631

Issue of [Aggregate Nominal Amount of Tranche or Series] [Title of Covered Bonds] irrevocably and unconditionally guaranteed as to payment of principal and interest by Perpetual Limited as trustee of the MBL Covered Bond Trust (the Trust) under the AUD15,000,000,000 MBL Covered Bond Programme

PART A – CONTRACTUAL TERMS

[Terms used herein will be deemed to be defined as such for the purposes of the terms and conditions (the **Conditions**) set forth in the Prospectus dated 5 June 2026 [and the supplement(s) to the Prospectus dated [●] and [●]] ([together,] the **Prospectus**) which constitute[s] a base prospectus for the purposes of the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (**PRM**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the PRM, and must be read in conjunction with the Prospectus [as so supplemented] in order to obtain all the relevant information. The Prospectus [and the supplement(s) to the Prospectus] [has/have] been published on the website of the London Stock Exchange at https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.]

[The Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**). The Covered Bonds are being offered and sold only (i) in reliance on Rule 144A under the Securities Act (**Rule 144A**), to "qualified institutional buyers" (as defined in Rule 144A) and/or (ii) in accordance with Regulation S under the Securities Act (**Regulation S**), to persons who are not "U.S. persons" (as defined in Regulation S) in offshore transactions.]

1.	Issuer:		Macquarie Bank Limited
	Branch:		[●]/[Not Applicable]
2.	Covered Bond Guarantor:		Perpetual Limited in its capacity as trustee of the MBL Covered Bond Trust
3.	(i)	Series of which Covered Bonds are to be treated as forming part:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	Date on which Covered Bonds will be consolidated and form a single Series:	[The Covered Bonds will be consolidated and form a single Series with [●] on [the Issue Date]/[exchange of the Temporary Global Covered Bond for interests in the Permanent Global Covered Bond, as referred to in paragraph [●] below], which is expected to occur on or about [●]]/[Not Applicable]
4.	Specified Currency or Currencies:		[●]
5.	Aggregate Nominal Amount of Covered Bonds:		
	(i)	Series:	[●]

[2] *To amend notification if the Covered Bonds are not "capital markets products other than prescribed capital markets products" pursuant to Section 309B of the SFA or Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.*

	(ii)	Tranche:	[●]
6.	Issue Price of Tranche:		[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
7.	(i)	Specified Denominations:	[●]/[€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Covered Bonds in definitive form will be issued with a denomination above €199,000]
	(ii)	Calculation Amount:	[●]
8.	(i)	Trade Date:	[●]
	(ii)	Issue Date:	[●]
	(iii)	Interest Commencement Date:	[●]/[Issue Date]/[Not Applicable]
9.	Final Maturity Date:		[●]/[Interest Payment Date falling in or nearest to [●]]
10.	Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:		[●]/[Interest Payment Date falling in or nearest to [●]]
11.	Interest Basis:		[Fixed Rate] [Floating Rate] [Fixed/Floating Rate] [Zero Coupon] (see paragraphs 15, 16, 17 and 18 below)
12.	Redemption/Payment Basis:		[99]/[100]/[101] per cent. of the nominal amount
13.	Change of Interest Basis or Redemption/ Payment Basis:		[Applicable – see paragraph 17 below]/[Not applicable]/[●]/[In accordance with paragraphs 15 and 16]
14.	Put/Call Options:		[Not applicable] [Investor Put] [Issuer Call] [(see paragraphs 20 and 21)]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Covered Bond Provisions**		[Applicable/Not Applicable]
	(i)	Rate[(s)] of Interest:	[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[●] in each year up to and including the Final Maturity Date [and Extended Due for Payment Date (if applicable)]

	(iii)	Fixed Coupon Amount(s):	[[●] per Calculation Amount/Not Applicable]
	(iv)	Broken Amount(s):	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/[Not Applicable]
	(v)	Day Count Fraction:	[Actual/365]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/ [Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[Actual/Actual (ICMA)]/[Australian Bond Basis]
	(vi)	Determination Date(s):	[●] in each year /[Not Applicable]
	(vii)	Business Day Convention:	[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
16.	**Floating Rate Covered Bond Provisions**		[Applicable/Not Applicable]
	(i)	Specified Period(s)/Specified Interest Payment Date(s):	[●] and including the Final Maturity Date [and the Extended Due for Payment Date (if applicable)]
	(ii)	Business Day Convention:	[Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
	(iii)	Relevant Financial Centre(s):	[London]/[Brussels]/[Sydney]/[Auckland and Wellington]/[Hong Kong]/[Toronto]/[Singapore]/[●]/[Not Applicable] (*Where Screen Rate Determination is "Applicable—SONIA", "Applicable—SOFR" or "Applicable – €STR", the Relevant Financial Centre will be 'Not Applicable'*)
	(iv)	Manner in which the Rate of Interest and Interest Amount are to be determined:	[Screen Rate Determination – Term Rate/Screen Rate Determination – SONIA/Screen Rate Determination – SOFR/Screen Rate Determination – €STR/BBSW Rate Determination]
	(v)	Party responsible for determining the Rate of Interest and / or calculating the Interest Amount (if not the Principal Paying Agent):	[●] (the **Calculation Agent**)
	(vi)	Screen Rate Determination:	[Applicable – Term Rate/Applicable – SONIA/Applicable – SOFR/Applicable – €STR]/[Not Applicable]
		– Reference Rate:	Reference Rate: [●] month [●] [EURIBOR]/[BKBM]/[HIBOR]/[CDOR]/[SIBOR] (*Please note that CDOR is no longer applicable following the permanent retirement of the reference rate on 28 June 2024. The Issuer is no longer capable of issuing Floating Rate Covered Bonds referencing CDOR*)
		– Interest Determination Date(s):	[First day of each Interest Period] [Second day on which T2 is open prior to the start of each Interest Period]

[The [first/[●]] [London Banking Day] falling after the last day of the relevant Observation Period]

[The day falling [●] [London Banking Day[s]] prior to each Interest Payment Date]

[Second Singapore business day prior to the start of each Interest Period]

[[●] days prior to the start of each Interest Period]

– Relevant Screen Page: [●]

– Relevant Time: [●]/[Not Applicable]

(*Not applicable where (i) Screen Rate Determination is "Applicable—SONIA" and the Calculation Method is not SONIA Index Determination, or (ii) Screen Rate Determination is "Applicable—SOFR" or (iii) where Screen Rate Determination is "Applicable—€STR")*

– Reference Banks: [●]

– Relevant Financial Centre: [●]

(vii) SONIA Provisions: [Applicable/Not Applicable]
(*If not applicable, delete the remaining subparagraphs of this paragraph*)

(A) Calculation Method: [Compounded Daily SONIA Formula/SONIA Index Determination/Average SONIA]

(B) Observation Method: [Lag/Observation Shift/Not Applicable]

(C) Lag Lookback Period (p): [5/[●] London Banking Days][Not Applicable]

(D) Observation Shift Period: [5/[●] London Banking Days][Not Applicable]

(*N.B. When setting the Lag Lookback Period (p) or the Observation Shift Period, the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms. It is anticipated that '(p)' will be no fewer than 5 London Banking Days unless otherwise agreed with the Principal Paying Agent or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, in relation to the relevant issuance*)

(E) Relevant Number: [[●] London Banking Days][Not Applicable]

(*Not applicable unless Calculation Method is SONIA Index Determination*)

(*N.B. When setting the Relevant Number, the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as*

specified in the applicable Final Terms. It is anticipated that the Relevant Number will be no fewer than 5 London Banking Days unless otherwise agreed with the Principal Paying Agent or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, in relation to the relevant issuance)

(*It is anticipated that Screen Rate Determination will be used on an issue by issue basis, unless otherwise agreed between the Relevant Issuer and the relevant dealer or the relevant managers on the launch of a particular issue*.)

(viii) SOFR Provisions: [Applicable/Not Applicable]

(*If not applicable, delete the remaining subparagraphs of this paragraph*)

(A) Calculation Method: [SOFR Arithmetic Mean]/[SOFR Delay Compound]/[SOFR Index Compound]/[SOFR Lockout Compound]/[SOFR Lookback Compound]/[SOFR Shift Compound]

(B) "p" U.S. Government Securities Business Days: [[●] U.S. Government Securities Business Days][Not Applicable]

(*N.B. When setting the length of this period "p", the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms. It is anticipated that 'p' will be no fewer than five U.S. Government Securities Business Days unless otherwise agreed with the Principal Paying Agent or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, in relation to the relevant issuance*)

(C) SOFR Rate Cut-Off Date: [●][Not Applicable]

(D) SOFR Interest Accrual Period End Dates: [●] (*Not applicable unless the Calculation Method is SOFR Delay Compound*)

(ix) €STR Provisions: [Applicable/Not Applicable]
(*If not applicable, delete the remaining subparagraphs of this paragraph*)

(A) Calculation Method: [€STR Compounded Daily]/[€STR Index Compounded Daily]/[€STR Weighted Average]

(B) Observation Method: [Lag]/[Lock-out]/[Shift]

(C) p: [●] T2 Business Days

(*N.B. When setting the length of this period (p), the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms. It is anticipated that 'p' will be no fewer than five T2 Business Days unless otherwise agreed with the Principal Paying Agent*

			or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, in relation to the relevant issuance)
		(D) [Interest Determination Date(s):	[[●] T2 Business Days prior to each Interest Payment Date]]
		(E) Interest Period End Date(s):	[*specify*]/[The Interest Payment Date for such Interest Period]/[Not Applicable]
	(x)	BBSW Rate Determination:	[Applicable/Not Applicable]
	(xi)	Margin(s):	[+/-][●] per cent. per annum
	(xii)	Minimum Rate of Interest:	[●] per cent. per annum
	(xiii)	Maximum Rate of Interest:	[●] per cent. per annum
	(xiv)	Day Count Fraction:	[Actual/365]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[Actual/Actual (ICMA)]/[Australian Bond Basis]
17.	**Fixed/Floating Rate Covered Bond Provisions**		[Applicable/Not Applicable]
	(i)	First Interest Basis:	[Fixed/Floating] Rate in accordance with paragraph [15/16] above.
	(ii)	Second Interest Basis:	[Fixed/Floating] Rate in accordance with paragraph [15/16] above.
	(iii)	Interest Basis Conversion Date:	[●]
18.	**Zero Coupon Covered Bond Provisions**		[Applicable/Not Applicable]
	(i)	Amortisation Yield	[●] per cent. per annum
	(ii)	Accrual Yield	[●] per cent. per annum
	(iii)	Reference Price:	[●]
	(iv)	Day Count Fraction in relation to Zero Coupon Covered Bonds:	[Actual/365]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[Actual/Actual (ICMA)]/[Australian Bond Basis]

PROVISIONS RELATING TO REDEMPTION

19.	Notice periods for Condition 5.2 (Redemption for Tax Reasons) or Condition 5.5 (Redemption due to Illegality)	Minimum Period: [31] days Maximum Period: [60] days
20.	Issuer Call:	[Applicable/Not Applicable]
	(i) Optional Redemption Date(s):	[●]

	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]
	(iii)	If redeemable in part:	
		Partial redemption (call)	[Applicable/Not Applicable]
		(a) Minimum Redemption Amount:	[●]
		(b) Higher Redemption Amount:	[●]
	(iv)	Notice period (if other than as set out in the Conditions):	Minimum Period: [31] days Maximum Period: [60] days
21.	Investor Put:		[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]
	(iii)	Notice period (if other than as set out in the Conditions):	Minimum Period: [31] days Maximum Period: [60] days
22.	Final Redemption Amount:		[[●] per Calculation Amount]
23.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same:		[[●] per Calculation Amount/Early Outstanding Principal Amount]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

24.	Form of Covered Bonds:	[Bearer Covered Bonds: [Temporary Bearer Global Covered Bond exchangeable for a Permanent Bearer Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds [on 60 days' notice given at any time/only upon an Exchange Event]] [Temporary Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds] [Permanent Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds [on 60 days' notice given at any time/only after an Exchange Event]]] [Registered Covered Bonds: [Registered Covered Bonds [Restricted/Unrestricted] Global Certificate[s]] - [Euroclear/Clearstream]] [Regulation S Global Covered Bond ([●] nominal amount) registered in the name of [a common depositary/common safekeeper] for [DTC or its nominee/Euroclear and Clearstream, Luxembourg] [Rule 144A Global Covered Bond ([●] nominal amount) registered in the name of [a common depositary/common

		safekeeper] for [DTC or its nominee/Euroclear and Clearstream, Luxembourg]]]
		[A$ Registered Covered Bonds]
25.	New Global Covered Bond:	[Yes][No]
26.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/[●]]
27.	[Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	[Yes, as the Covered Bonds have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No.]]

DISTRIBUTION

28.	Method of distribution:	[Syndicated/Non-syndicated]
29.	If syndicated, names of Managers:	[Not Applicable/[●]]
30.	If non-syndicated, name of relevant Dealer:	[Not Applicable/[●]]
31.	Stabilisation Manager(s) (if any):	[Not Applicable/[●]]
32.	U.S. Selling Restrictions:	[Reg. S Compliance Category 2; [TEFRA D/TEFRA C/TEFRA Not Applicable]]

THIRD PARTY INFORMATION

[[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of **Macquarie Bank Limited**:

By: .....

Duly authorised

Signed on behalf of **Perpetual Limited** in its capacity as trustee of the MBL Covered Bond Trust under power of attorney dated 10 December 2012 in accordance with section 126 of the Corporations Act 2001 (Cth):

By: .....

Duly authorised attorney

By: .....

Duly authorised attorney

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing:	Application for admission to the Official List of the FCA and for admission to trading on the main market of the London Stock Exchange plc [has been/is expected to be] made with effect from [●]
(ii)	Estimate of total expenses related to admission to trading:	[●]

2. RATINGS

Ratings:

[The Covered Bonds to be issued have not been rated by any rating agency.]

[The Covered Bonds to be issued [have been]/[are expected to be] rated by the following ratings agencies:

[[Moody's Investors Service Pty Limited (**Moody's**)]: [*insert rating*]]

[[Fitch Australia Pty Ltd (**Fitch**)]: [*insert rating*]]

[Each of] Moody's [and]/ Fitch is established outside the European Economic Area and the United Kingdom and has not applied for registration under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) or Regulation (EC) No. 1060/2009 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **UK CRA Regulation**). [Ratings by Moody's are endorsed by Moody's Deutschland GmbH and Moody's Investors Services Ltd. [and]/ ratings by Fitch are endorsed by Fitch Ratings Ireland Limited and Fitch Ratings Limited, each of which is a credit rating agency established in the European Economic Area and registered under the CRA Regulation or established in the United Kingdom and registered under the UK CRA Regulation, respectively, each in accordance with the CRA Regulation or the UK CRA Regulation, as applicable.]]

[Need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider. Consider including the following (to be completed at the time of the relevant issuance):

[[Fitch] has, in its [month, year] publication "[Ratings Definitions]", described a credit rating of ['AAA'] in the following terms: ["'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events. Within rating categories, Fitch may use modifiers. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories".]] [*Complete as applicable*]

[[Moody's] has, in its [month, year] publication "[Rating Symbols and Definitions]", described a credit rating of ['Aaa'] in the following terms: ["Obligations rated Aaa are judged to be of the highest quality, with minimal risk… Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.".]] [*Complete as applicable*].*]*

*Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 (Cth) (**Corporations Act**) and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive these Final Terms and any who receives these Final Terms must not distribute them to any person who is not entitled to receive them.*

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees payable to [●] [and [●]] as [a] Dealer[s], so far as the Issuer is aware, no person involved in the issue of the Covered Bonds has an interest material to the offer. The Dealer[s] and [its/their] affiliates have engaged, and may in future engage in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Covered Bond Guarantor and their affiliates.]/[●]

4. TOTAL EXPENSES

Estimated total expenses:	[●]

5. [*Fixed Rate Covered Bonds only*] YIELD

Indication of yield:	[●]

6. NET PROCEEDS

Estimated net proceeds:	[●]

7. OPERATIONAL INFORMATION

(i)	ISIN Code:	[●]
(ii)	CUSIP:	[●]
(iii)	Common Code:	[●]
(iv)	CFI:	[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (**ANNA**) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(v)	FISN:	[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (**ANNA**) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(vi)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and The Depository Trust Company and Austraclear and the relevant identification number(s):	[Not Applicable/[●]]
(vii)	Delivery:	Delivery [against/free of] payment
(viii)	Name and address of Paying Agent in relation to the Covered Bonds:	[Deutsche Bank AG, Hong Kong Branch/[●]]
(ix)	Names and addresses of additional Paying Agent(s) (if any) in relation to the Covered Bonds:	[Not Applicable/[●]]
(x)	Name and address of Registrar in relation to the Covered Bonds:	[Not Applicable/[●]]
(xi)	Name and address of Transfer Agent in relation to the Covered Bonds:	[Not Applicable/[●]]
(xii)	Name and address of Common Depositary in relation to the Covered Bonds:	[Not Applicable/[●]]
(xiii)	Relevant Benchmark[s]:	[[ ] is provided by [ ]]. [As at the date hereof, [ ] appears in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to the Benchmarks Regulation.] [As at the date hereof, [ ] [appears]/[does not appear] in the FCA's register of administrators under Article 36 of the UK Benchmarks Regulation.] [As at the date hereof, [ ] does not appear in the register of administrators and benchmarks established and maintained by [the European Securities and Markets Authority][the FCA] pursuant to Article 36 of [the Benchmarks Regulation][the UK Benchmarks Regulation]. [As far as the Issuer is aware, as at the date hereof, Article 2 of [the Benchmarks Regulation][the UK Benchmarks Regulation] applies, such that [ ] is not currently required to obtain authorisation/registration (or, if located outside the [European Union][United Kingdom], recognition, endorsement or equivalence).]/[[ ] does not fall within the scope of [the Benchmarks Regulation][the UK Benchmarks Regulation]].]

8.	**UNITED STATES TAX CONSIDERATIONS**	[Not applicable]/[For Covered Bonds issued in compliance with Rule 144A:][For U.S. federal income tax purposes, the Issuer intends to treat the Covered Bonds as [Discount Covered Bonds/fixed-rate debt/fixed-rate debt issued with original issue discount (**OID**)/Contingent Payment Debt Instruments (**CPDIs**), [for which purpose, the comparable yield relating to the Covered Bonds will be [●] per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Covered Bond consists of the following payments: [●]/for which purpose, the comparable yield and the projected payment schedule are available by contacting [●] at [●]]/Variable Rate Bonds/Variable Rate Covered Bonds issued with OID/foreign currency Covered Bonds/foreign currency Discount Covered Bonds /foreign currency CPDIs, [for which purpose, the comparable yield relating to the Covered Bonds will be [●] per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Covered Bond consists of the following payments: [●]/for which purpose, the comparable yield and the projected payment schedule are available by contacting [●] at [●]]/Short-Term Covered Bonds.]] [For a qualified reopening of Covered Bonds issued in compliance with Rule 144A:][Qualified reopening. The issuance of the Covered Bonds should be treated as a **qualified reopening** of the Covered Bonds issued on [●] within the meaning of the Treasury regulations governing OID on debt instruments (the **OID Regulations**). Therefore, for purposes of the OID Regulations, the Covered Bonds issued in this offering should be treated as having the same issue date and the same issue price as the Covered Bonds issued on [●] and should [not] be considered to have been issued with OID for U.S. federal income tax purposes.]

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Covered Bonds issued under the Programme, including A$ Registered Covered Bonds.

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) NO 2017/1129 OR THE PROSPECTUS RULES: ADMISSION TO TRADING ON A REGULATED MARKET SOURCEBOOK FOR THE ISSUE OF COVERED BONDS DESCRIBED BELOW. THE FCA HAS NEITHER APPROVED NOR REVIEWED THE INFORMATION CONTAINED IN THIS PRICING SUPPLEMENT.

[**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]3

[**UK MiFIR PRODUCT GOVERNANCE – PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.][4]

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

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook (**DISC**) for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or

[3] Legend to be included on the front of the Pricing Supplement if one or more of the Dealers in relation to the Covered Bonds is a MiFID and/or UK MiFIR regulated entity

distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

[**NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE** – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Covered Bonds as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)][4]

[Date]

Macquarie Bank Limited
Issuer Legal Entity Identifier (LEI): 4ZHCHI4KYZG2WVRT8631

Issue of [Aggregate Nominal Amount of Tranche or Series] [Title of Covered Bonds] irrevocably and unconditionally guaranteed as to payment of principal and interest by Perpetual Limited as trustee of the MBL Covered Bond Trust (the Trust) under the AUD15,000,000,000 MBL Covered Bond Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (**Conditions**) set forth in the Prospectus dated 5 June 2026 [and the supplemental Prospectus dated [insert date] ([together] **Prospectus**)]. This document constitutes the Pricing Supplement of a Tranche of [describe type of Covered Bonds] described herein (**Covered Bonds**) and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of the Pricing Supplement and the Prospectus. [The Prospectus [and the supplemental Prospectus] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]]

[The Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**). The Covered Bonds are being offered and sold only (i) in reliance on Rule 144A under the Securities Act (**Rule 144A**), to "qualified institutional buyers" (as defined in Rule 144A) and/or (ii) in accordance with Regulation S under the Securities Act (**Regulation S**) to persons who are not "U.S. persons" (as defined in Regulation S) in offshore transactions.]

1.	Issuer:		Macquarie Bank Limited
	Branch:		[●]/[Not Applicable]
2.	Covered Bond Guarantor:		Perpetual Limited in its capacity as trustee of the MBL Covered Bond Trust
3.	(i)	Series of which Covered Bonds are to be treated as forming part:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	Date on which Covered Bonds will be consolidated and form a single Series:	[The Covered Bonds will be consolidated and form a single Series with [●] on [the Issue Date]/[exchange of the Temporary Global Covered Bond for interests in the Permanent Global Covered Bond, as referred to in paragraph [●] below], which is expected to occur on or about [●]]/[Not Applicable]

[4] *To amend notification if the Covered Bonds are not "capital markets products other than prescribed capital markets products" pursuant to Section 309B of the SFA or Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.*

4.	Specified Currency or Currencies:		[●]
5.	Aggregate Nominal Amount of Covered Bonds:		
	(i)	Series:	[●]
	(ii)	Tranche:	[●]
6.	Issue Price of Tranche:		[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
7.	(i)	Specified Denominations:	[●]/[€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Covered Bonds in definitive form will be issued with a denomination above €199,000]
	(ii)	Calculation Amount:	[●]
8.	(i)	Trade Date:	[●]
	(ii)	Issue Date:	[●]
	(iii)	Interest Commencement Date:	[●]/[Issue Date]/[Not Applicable]
9.	Final Maturity Date:		[●]/[Interest Payment Date falling in or nearest to [●]]
10.	Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:		[●]/[Interest Payment Date falling in or nearest to [●]]
11.	Interest Basis:		[Fixed Rate] [Floating Rate] [Fixed/Floating Rate] [Zero Coupon] (see paragraphs 16, 17, 18 and 19 below)
12.	Redemption/Payment Basis:		[99]/[100]/[101]/ [*specify other*] per cent. of the nominal amount
13.	Change of Interest Basis or Redemption/ Payment Basis:		[Applicable – see paragraph 18 below]/[Not applicable]/[In accordance with paragraphs 15 and 16]
14.	Put/Call Options:		[Not applicable] [Investor Put] [Issuer Call] [(see paragraphs 21 and 22)]
15.	(i)	Status of the Covered Bonds:	Senior
	(ii)	Status of Covered Bond Guarantee:	Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	Fixed Rate Covered Bond Provisions		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Rate[(s)] of Interest:	[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[●] in each year up to and including the Final Maturity Date [and Extended Due for Payment Date (if applicable)] (*Amend appropriately in the case of irregular coupons*)
	(iii)	Fixed Coupon Amount(s): (*Applicable to Covered Bonds in definitive form.*)	[[●] per Calculation Amount/Not Applicable]
	(iv)	Broken Amount(s): (*Applicable to Covered Bonds in definitive form.*)	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/[Not Applicable]
	(v)	Day Count Fraction:	[Actual/365]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[Actual/Actual (ICMA)]/[Australian Bond Basis]/[*specify other*]
	(vi)	Determination Date(s):	[[●] in each year /[Not Applicable] (*Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*]
	(vii)	Business Day Convention:	[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]/[*specify other*]
	(viii)	Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds which are Exempt Covered Bonds:	[None/*Give details*]
17.	**Floating Rate Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Specified Period(s)/Specified Interest Payment Date(s):	[●] and including the Final Maturity Date [and the Extended Due for Payment Date (if applicable)]
	(ii)	Business Day Convention:	[Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]//[*specify other*]
	(iii)	Relevant Financial Centre(s):	[Brussels]/[Sydney]/[Auckland and Wellington]/[Hong

		Kong]/[Toronto]/[Singapore]/[*specify other*] /[Not Applicable] (*Where Screen Rate Determination is "Applicable—SONIA", "Applicable—SOFR" or "Applicable – €STR", the Relevant Financial Centre will be 'Not Applicable'*)
(iv)	Manner in which the Rate of Interest and Interest Amount are to be determined:	[Screen Rate Determination – Term Rate/Screen Rate Determination – SONIA/Screen Rate Determination – €STR]
(v)	Party responsible for determining the Rate of Interest and / or calculating the Interest Amount (if not the Principal Paying Agent):	[●] (the **Calculation Agent**)
(vi)	Screen Rate Determination:	[Applicable – Term Rate/Applicable – SONIA/Applicable – SOFR/Applicable – €STR]/[Not Applicable]
	– Reference Rate:	Reference Rate: [●] month [●] [EURIBOR]/[BKBM]/[HIBOR]/[CDOR]/[SIBOR] (*Please note that CDOR is no longer applicable following the permanent retirement of the reference rate on 28 June 2024. The Issuer is no longer capable of issuing Floating Rate Covered Bonds referencing CDOR*)
	– Interest Determination Date(s):	[Second London business day prior to the start of each Interest Period] [First day of each Interest Period] [Second day on which T2 is open prior to the start of each Interest Period] [The [first/[●]] [London Banking Day] falling after the last day of the relevant Observation Period] [The day falling [●] [London Banking Day[s]] prior to each Interest Payment Date] [Second Singapore business day prior to the start of each Interest Period] [[●] days prior to the start of each Interest Period]
	– Relevant Screen Page:	[●]
	– Relevant Time:	[●]/[Not Applicable] (*Not applicable where (i) Screen Rate Determination is "Applicable—SONIA" and the Calculation Method is not SONIA Index Determination, or (ii) Screen Rate Determination is "Applicable—SOFR" or (iii) where Screen Rate Determination is "Applicable—€STR"*)
	– Reference Banks:	[●]
	– Relevant Financial Centre;	[●]

(vii)	SONIA Provisions		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(A)	Calculation Method:	[Compounded Daily SONIA Formula/SONIA Index Determination/Average SONIA]
	(B)	Observation Method:	[Lag/Observation Shift/Not Applicable]
	(C)	Lag Lookback Period (p):	[5/[●] London Banking Days][Not Applicable]
	(D)	Observation Shift Period:	[5/[●] London Banking Days][Not Applicable] (*N.B. When setting the Lag Lookback Period (p) or the Observation Shift Period, the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement. It is anticipated that '(p)' will be no fewer than 5 London Banking Days unless otherwise agreed with the Principal Paying Agent or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement, in relation to the relevant issuance*)
	(E)	Relevant Number:	[[●] London Banking Days][Not Applicable] (*Not applicable unless Calculation Method is SONIA Index Determination*) (*N.B. When setting the Relevant Number, the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement. It is anticipated that the Relevant Number will be no fewer than 5 London Banking Days unless otherwise agreed with the Principal Paying Agent or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement, in relation to the relevant issuance*) (*It is anticipated that Screen Rate Determination will be used on an issue by issue basis, unless otherwise agreed between the Relevant Issuer and the relevant dealer or the relevant managers on the launch of a particular issue*.)
(viii)	SOFR Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(A)	Calculation Method:	[SOFR Arithmetic Mean]/[SOFR Delay Compound]/[SOFR Index Compound]/[SOFR Lockout Compound]/[SOFR Lookback Compound]/[SOFR Shift Compound]
	(B)	"p" U.S. Government Securities Business Days:	[[●] U.S. Government Securities Business Days][Not Applicable]

(*N.B. When setting the length of this period "p", the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement. It is anticipated that 'p' will be no fewer than five U.S. Government Securities Business Days unless otherwise agreed with the Principal Paying Agent or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement, in relation to the relevant issuance*)

	(C)	SOFR Rate Cut-Off Date:	[●][Not Applicable]
	(D)	SOFR Interest Accrual Period End Dates:	[●] (*Not applicable unless the Calculation Method is SOFR Delay Compound*)
(ix)	€STR Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(A)	Calculation Method:	[€STR Compounded Daily]/[€STR Index Compounded Daily]/[€STR Weighted Average]
	(B)	Observation Method:	[Lag]/[Lock-out]/[Shift]
	(C)	p:	[●] T2 Business Days (*N.B. When setting the length of this period (p), the practicalities of this period should be discussed with the Principal Paying Agent or, if applicable, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement. It is anticipated that 'p' will be no fewer than five T2 Business Days unless otherwise agreed with the Principal Paying Agent or, if applicable/required, such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement, in relation to the relevant issuance*)
	(D)	[Interest Determination Date(s):	[[●] T2 Business Days prior to each Interest Payment Date]]
	(E)	Interest Period End Date(s):	[*specify*]/[The Interest Payment Date for such Interest Period]/[Not Applicable]
(x)	BBSW Rate Determination:		[Applicable/Not Applicable]
(xi)	Margin(s):		[+/-][●] per cent. per annum
(xii)	Minimum Rate of Interest:		[●] per cent. per annum
(xiii)	Maximum Rate of Interest:		[●] per cent. per annum
(xiv)	Day Count Fraction:		[Actual/365]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[Actual/Actual (ICMA)]/[Australian Bond Basis]/[*specify other*]

18.	**Fixed/Floating Rate Covered Bond Provisions**		[Applicable/Not Applicable]
	(i)	First Interest Basis:	[Fixed/Floating] Rate in accordance with paragraph [16/17] above.
	(ii)	Second Interest Basis:	[Fixed/Floating] Rate in accordance with paragraph [16/17] above.
	(iii)	Interest Basis Conversion Date:	[●]
19.	**Zero Coupon Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Amortisation Yield	[●] per cent. per annum
	(ii)	Accrual Yield	[●] per cent. per annum
	(iii)	Reference Price:	[●]
	(iv)	Any other formula/basis of determining amount payable for Zero Coupon Covered Bonds which are Exempt Covered Bonds:	[●]
	(v)	Day Count Fraction in relation to Zero Coupon Covered Bonds:	[Actual/365]/[Actual/Actual]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[Actual/Actual (ICMA)]/[Australian Bond Basis]/[*specify other*]

PROVISIONS RELATING TO REDEMPTION

20.	Notice periods for Condition 5.2 (*Redemption for Tax Reasons*) or Condition 5.5 (*Redemption due to Illegality*)		Minimum Period: [31] days Maximum Period: [60] days
21.	Issuer Call:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]/[*specify other*]
	(iii)	If redeemable in part:	
		Partial redemption (call)	[Applicable/Not Applicable]
		(a) Minimum Redemption Amount:	[●]
		(b) Higher Redemption Amount:	[●]

	(iv)	Notice period (if other than as set out in the Conditions):	Minimum Period: [31] days Maximum Period: [60] days
22.	Investor Put:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]/[*specify other*]
	(iii)	Notice period (if other than as set out in the Conditions):	Minimum Period: [31] days Maximum Period: [60] days
23.	Final Redemption Amount:		[[●] per Calculation Amount]/[*specify other*]
24.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same:		[[●] per Calculation Amount/Early Outstanding Principal Amount]/[*specify other*]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

25.	Form of Covered Bonds:	[Bearer Covered Bonds: [Temporary Bearer Global Covered Bond exchangeable for a Permanent Bearer Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds [on 60 days' notice given at any time/only upon an Exchange Event]] [Temporary Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds] [Permanent Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds [on 60 days' notice given at any time/only after an Exchange Event]]] [Registered Covered Bonds: [Registered Covered Bonds [Restricted/Unrestricted] Global Certificate[s]] - [Euroclear/Clearstream]] [Regulation S Global Covered Bond ([●] nominal amount) registered in the name of [a common depositary/common safekeeper] for [DTC or its nominee/Euroclear and Clearstream, Luxembourg] [Rule 144A Global Covered Bond ([●] nominal amount) registered in the name of [a common depositary/common safekeeper] for [DTC or its nominee/Euroclear and Clearstream, Luxembourg]]] [A$ Registered Covered Bonds]

26.	New Global Covered Bond:	[Yes][No]
27.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/*give details*]
28.	Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	[Yes, as the Covered Bonds have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No.]

DISTRIBUTION

29.	U.S. Selling Restrictions:	[Reg. S Category [1/2/3]][Rule 144A] TEFRA: [Not Applicable/TEFRA C/TEFRA D]
30.	Method of distribution:	[Syndicated/Non-syndicated]
31.	If syndicated, names of Managers:	[Not Applicable/[●]]
32.	If non-syndicated, name of relevant Dealer:	[Not Applicable/[●]]
33.	Stabilisation Manager(s) (if any):	[Not Applicable/[●]]

THIRD PARTY INFORMATION

[[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of **Macquarie Bank Limited**:

By: .....

Duly authorised

Signed on behalf of **Perpetual Limited** in its capacity as trustee of the MBL Covered Bond Trust under power of attorney dated 10 December 2012 in accordance with section 126 of the Corporations Act 2001 (Cth):

By:	By:.....
Duly authorised attorney	*Duly authorised attorney*

PART B– OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing:	[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Covered Bonds to be listed on [*specify market – this should not be a regulated market*] with effect from [●]
(ii)	Estimate of total expenses related to admission to trading:	[●]

2. RATINGS

Ratings:

[The Covered Bonds to be issued have not been rated by any rating agency.]

[The Covered Bonds to be issued [have been]/[are expected to be] rated by the following ratings agencies:

[[Moody's Investors Service Pty Limited (**Moody's**)]: [*insert rating*]]

[[Fitch Australia Pty Ltd (**Fitch**)]: [*insert rating*]]

[Each of] Moody's [and]/ Fitch is established outside the European Economic Area and the United Kingdom and has not applied for registration under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) or Regulation (EC) No. 1060/2009 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **UK CRA Regulation**). [Ratings by Moody's are endorsed by Moody's Deutschland GmbH and Moody's Investors Services Ltd. [and]/ ratings by Fitch are endorsed by Fitch Ratings Ireland Limited and Fitch Ratings Limited, each of which is a credit rating agency established in the European Economic Area and registered under the CRA Regulation or established in the United Kingdom and registered under the UK CRA Regulation, respectively, each in accordance with the CRA Regulation or the UK CRA Regulation, as applicable.]]

[Need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider. Consider including the following (to be completed at the time of the relevant issuance):

[[Fitch] has, in its [month, year] publication "[Ratings Definitions]", described a credit rating of ['AAA'] in the following terms: ["'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events. Within rating categories, Fitch may use modifiers. The modifiers "+" or "-" may be appended

to a rating to denote relative status within major rating categories".]] [*Complete as applicable*]

[[Moody's] has, in its [month, year] publication "[Rating Symbols and Definitions]", described a credit rating of ['Aaa'] in the following terms: ["Obligations rated Aaa are judged to be of the highest quality, with minimal risk … Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.".]] [*Complete as applicable*].*]*

There is no assurance that the Rating Agencies will rate the Covered Bonds up to their Final Maturity Date. Covered Bondholders should note that pursuant to Condition 10.2 (*Modification and waiver*) of the Conditions, the Bond Trustee and the Security Trustee are required to concur in and effect any modifications required to any of the Programme Documents to accommodate the removal of any one of the Rating Agencies from the Programme or the addition of any Rating Agency, provided that at all times there are at least two rating agencies rating the Programme and any Covered Bonds then outstanding and, in respect of the removal of any one of the Rating Agencies from the Programme only, the proposed modification effecting such removal is not an Objected Modification.

*Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 (Cth) (**Corporations Act**) and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and any who receives this Pricing Supplement must not distribute them to any person who is not entitled to receive them.*

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Covered Bonds has an interest material to the offer. The Dealers and their affiliates have engaged, and may in future engage in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Covered Bond Guarantor and their affiliates.]

4. TOTAL EXPENSES

Estimated total expenses: [●]

5. YIELD (Fixed Rate Covered Bonds only)

Indication of yield:	[●]. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. NET PROCEEDS

Estimated net proceeds:	[●]

7. OPERATIONAL INFORMATION

(i)	ISIN Code:	[●]
(ii)	CUSIP:	[●]
(iii)	Common Code:	[●]
(iv)	CFI:	[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(v)	FISN:	[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(vi)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and The Depository Trust Company and Austraclear and the relevant identification number(s):	[Not Applicable/[●]]
(vii)	Delivery:	Delivery [against/free of] payment
(viii)	Name and address of initial Paying Agent in relation to the Covered Bonds:	[●]
(ix)	Names and addresses of additional Paying Agent(s) (if any) in relation to the Covered Bonds:	[Not Applicable/●]]
(x)	Name and address of Calculation Agent in relation to A$ Registered Covered Bonds if other than the Issuer:	[●]
(xi)	Name and address of Registrar in relation to the Covered Bonds:	[Not Applicable/[●]]
(xii)	Name and address of Transfer Agent in relation to the Covered Bonds:	[Not Applicable/[●]]

(xiii)	Name and address of Common Depositary in relation to the Covered Bonds:	[Not Applicable/[●]]
(xiv)	Relevant Benchmark[s]:	[[ ] is provided by [ ]]. [As at the date hereof, [ ] appears in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to the Benchmarks Regulation.] [As at the date hereof, [ ] [appears]/[does not appear] in the FCA's register of administrators under Article 36 of the UK Benchmarks Regulation.] [As at the date hereof, [ ] does not appear in the register of administrators and benchmarks established and maintained by [the European Securities and Markets Authority][the FCA] pursuant to Article 36 of [the Benchmarks Regulation][the UK Benchmarks Regulation]. [As far as the Issuer is aware, as at the date hereof, Article 2 of [the Benchmarks Regulation][the UK Benchmarks Regulation] applies, such that [ ] is not currently required to obtain authorisation/registration (or, if located outside the [European Union][United Kingdom], recognition, endorsement or equivalence).]/[[ ] does not fall within the scope of [the Benchmarks Regulation][the UK Benchmarks Regulation]].]
8.	**UNITED STATES TAX CONSIDERATIONS**	[Not applicable]/[For Covered Bonds issued in compliance with Rule 144A:][For U.S. federal income tax purposes, the Issuer intends to treat the Covered Bonds as [Discount Covered Bonds/fixed-rate debt/fixed-rate debt issued with original issue discount (**OID**)/Contingent Payment Debt Instruments (**CPDIs**), [for which purpose, the comparable yield relating to the Covered Bonds will be [●] per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Covered Bond consists of the following payments: [●]/for which purpose, the comparable yield and the projected payment schedule are available by contacting [●] at [●]]/Variable Rate Bonds/Variable Rate Covered Bonds issued with OID/foreign currency Covered Bonds/foreign currency Discount Covered Bonds /foreign currency CPDIs, [for which purpose, the comparable yield relating to the Covered Bonds will be [●] per cent. compounded [semi-annually/quarterly/monthly], and that the projected payment schedule with respect to a Covered Bond consists of the following payments: [●]/for which purpose, the comparable yield and the projected payment schedule are available by contacting [●] at [●]]/Short-Term Covered Bonds.]]

[For a qualified reopening of Covered Bonds issued in compliance with Rule 144A:][Qualified reopening. The issuance of the Covered Bonds should be treated as a qualified reopening of the Covered Bonds issued on [●] within the meaning of the Treasury regulations governing OID on debt instruments (the OID Regulations). Therefore, for purposes of the OID Regulations, the Covered Bonds issued in this offering should be treated as having the same issue date and the same issue price as the Covered Bonds issued on [●] and should [not] be considered to have been issued with OID for U.S. federal income tax purposes.]

TERMS AND CONDITIONS OF THE COVERED BONDS

The following are the terms and conditions (the **Conditions**) of the Covered Bonds which will be incorporated by reference in, and (as completed by the applicable Final Terms in relation to a Tranche (as defined below) of Covered Bonds) apply to each A$ Registered Covered Bond, each Global Covered Bond (as defined below) and each Definitive Covered Bond. In the case of Definitive Covered Bonds only, the Conditions will apply if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the Relevant Dealer(s) at the time of issue but, if not so permitted and agreed, such Definitive Covered Bond will have endorsed thereon or attached thereto such Conditions. The final terms for this Covered Bond (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Covered Bond which supplement these Conditions or, if this Covered Bond is a Covered Bond which is neither admitted to trading on a United Kingdom (**UK**) regulated market as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018 nor offered in the UK in circumstances where a prospectus is required to be published under the Financial Services and Markets Act 2000, (an **Exempt Covered Bond**), the final terms (or the relevant provisions thereof) are set out in Part A of the applicable Pricing Supplement and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Covered Bond. References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Covered Bond. Any reference in the Conditions to applicable Final Terms shall be deemed to include a reference to **applicable Pricing Supplement** where relevant. The applicable Pricing Supplement (or the relevant provisions thereof) will be entered into the A$ Register in respect of each A$ Registered Covered Bond. This Covered Bond is one of a Series (as defined below) of Covered Bonds issued by Macquarie Bank Limited, acting through its head office in Sydney or a branch outside Australia (the **Issuer**) constituted by a trust deed (such trust deed as modified and/or supplemented and/or restated from time to time, the **Bond Trust Deed**) dated on or about 10 June 2015 (the **Programme Date**) made between the Issuer, Perpetual Limited ABN 86 000 431 827 as trustee of the MBL Covered Bond Trust (the **Trust**) (and in such capacity, the **Covered Bond Guarantor**), Macquarie Securitisation Limited ABN 16 003 297 336 as trust manager (the **Trust Manager**) and DB Trustees (Hong Kong) Limited as bond trustee (in such capacity, the **Bond Trustee**, which expression will include any successor bond trustee).

Save as provided for in Conditions 9 and 10, references in these Conditions to the Covered Bonds are references to the Covered Bonds of this Series and mean:

(a) in relation to any Covered Bonds represented by a global covered bond (a **Global Covered Bond**) in bearer form (a **Bearer Global Covered Bond**) or any Registered Global Covered Bond (as defined below), units of the lowest Specified Denomination in the Specified Currency;

(b) any Global Covered Bond;

(c) any Definitive Covered Bonds in bearer form (**Bearer Definitive Covered Bonds** and, together with the Bearer Global Covered Bonds, the **Bearer Covered Bonds**) issued in exchange for a Global Covered Bond in bearer form; and

(d) any Definitive Covered Bonds in registered form (**Registered Definitive Covered Bonds**) and, together with the Registered Global Covered Bonds (as defined below), the **Registered Covered Bonds**) (whether or not issued in exchange for a Global Covered Bond in registered form); and

(e) any A$ Registered Covered Bonds.

The Covered Bonds (other than the A$ Registered Covered Bonds) and the Coupons (as defined below) have the benefit of a principal agency agreement (such principal agency agreement as amended and/or supplemented and/or restated from time to time the **Principal Agency Agreement**) dated on or about the Programme Date and made between the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Trust Manager and Deutsche Bank AG, Hong Kong Branch as principal paying agent (in such capacity, the **Principal Paying Agent**, which expression includes any successor principal paying agent), Deutsche Bank Trust Company Americas (the **U.S. Paying Agent**, **U.S. Transfer Agent** and **U.S. Registrar**) and the other paying agents appointed pursuant to the Principal Agency Agreement (together with the Principal Paying Agent and the U.S. Paying Agent, the **Paying Agents**, which expression includes any additional or successor paying agents), Deutsche Bank Luxembourg S.A. as transfer agent (in such capacity, the **Transfer Agent**, which expression includes any additional or successor transfer agent) and as registrar (in such capacity, the **Registrar**, which expression includes any successor registrar) and Deutsche

Bank AG, Hong Kong Branch as exchange agent (in such capacity, the **Exchange Agent**, which expression includes any additional or successor exchange agent).

A$ Registered Covered Bonds also have the benefit of The ASX Austraclear Registry and IPA Services Agreement (such agreement as amended and/or supplemented and/or restated from time to time, the **A$ Registry Agreement** and, together with the Principal Agency Agreement, the **Agency Agreements**) dated on or about the Programme Date and made between the Issuer, the Covered Bond Guarantor, the Bond Trustee and Austraclear Services Limited ABN 28 003 284 419 (**Austraclear Services**) as A$ registrar (in such capacity, the **A$ Registrar**). If a calculation agent is required for the purpose of calculating any amount or making any determination under any A$ Registered Covered Bonds, such appointment will be notified in the applicable Final Terms (the person so specified, the **Calculation Agent**). The Issuer or, following the occurrence of an Issuer Event of Default and the service of an Issuer Acceleration Notice and a Notice to Pay, the Covered Bond Guarantor (acting at the direction of the Trust Manager) may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest, principal and other payments in respect of A$ Registered Covered Bonds will be made by the Issuer or, following the occurrence of an Issuer Event of Default and the service of an Issuer Acceleration Notice and a Notice to Pay, the Trust Manager. References herein to the Calculation Agent will include the Issuer or the Trust Manager, when acting as Calculation Agent in accordance with the foregoing.

As used in these Conditions, **Agents** will mean each Paying Agent, each Exchange Agent, each Transfer Agent and each Registrar, **Principal Paying Agent** will mean, in relation to a Tranche or Series of Regulation S Covered Bonds, the Principal Paying Agent (as defined above), in relation to a Tranche or Series of Rule 144A Covered Bonds, the U.S. Paying Agent or, in each case, such other paying agent as the applicable Final Terms for that Tranche or Series may specify, **Registrar** will mean, in relation to a Tranche or Series of A$ Registered Covered Bonds, the A$ Registrar, in relation to a Tranche or Series of Rule 144A Covered Bonds, the U.S. Registrar, in relation to a Tranche or Series of Regulation S Covered Bonds, the Registrar (as defined above), or, in each case, such other registrar as the applicable Final Terms for that Tranche or Series may specify, **Transfer Agent** will mean, in relation to a Tranche or Series of Regulation S Covered Bonds, the Transfer Agent (as defined above), in relation to a Tranche or Series of Rule 144A Covered Bonds, the U.S. Transfer Agent or, in each case, such other transfer agent as the applicable Final Terms for that Tranche or Series may specify, **Exchange Agent** will mean, in relation to a Tranche or Series of Covered Bonds, the Exchange Agent (as defined above) or such other exchange agent as the applicable Final Terms for that Tranche or Series may specify and **Calculation Agent** will mean, in relation to a Tranche or Series, the Calculation Agent as the applicable Final Terms for that Tranche or Series may specify.

Interest-bearing Bearer Definitive Covered Bonds have (unless otherwise indicated in the applicable Final Terms) interest coupons (**Coupons**) and, if indicated in the applicable Final Terms, talons for further Coupons (**Talons**) attached on issue. Any reference in these Conditions to Coupons or coupons will, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Covered Bonds (which include Registered Global Covered Bonds and/or Registered Definitive Covered Bonds as the case may be) and Global Covered Bonds and A$ Registered Covered Bonds do not have Coupons or Talons attached on issue.

The Bond Trustee acts as trustee for the holders for the time being of the Covered Bonds (the **Covered Bondholders**, which expression will, in relation to any Covered Bonds represented by a Global Covered Bond, be construed as provided below) and the holders of the Coupons (the **Couponholders**, which expression, unless the context otherwise requires, includes the holders of the Talons) and for holders of each other Series of Covered Bonds in accordance with the provisions of the Bond Trust Deed.

As used in these Conditions, **Tranche** means Covered Bonds which are identical in all respects (including as to listing or admission to trading) and **Series** means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are: (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing or admission to trading) except for their respective Issue Dates, Interest Commencement Dates, Issue Prices and/or the amount of the first payment of interest (if any).

The Covered Bond Guarantor has, in the Bond Trust Deed, irrevocably and unconditionally guaranteed the due and punctual payment of Guaranteed Amounts in respect of the Covered Bonds as and when the same become due for payment on certain dates in accordance with the Bond Trust Deed (**Due for Payment**), but only after service of a Notice to Pay on the Covered Bond Guarantor following an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer or the occurrence of a Covered Bond Guarantor

Event of Default and service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer.

The security for the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and the other Programme Documents to which it is a party has been created in and pursuant to, and on the terms set out in, a security deed governed by the laws of New South Wales, Australia (such security deed as amended and/or supplemented and/or restated from time to time, the **Security Deed**) dated on or about the Programme Date and made between the Covered Bond Guarantor, the Issuer, the Trust Manager, the Bond Trustee, P.T. Limited ABN 67 004 454 666 (the **Security Trustee**) and certain other Secured Creditors.

These Conditions include summaries of, and are subject to, the provisions of the Bond Trust Deed, the Security Deed and the Agency Agreements (as applicable).

Copies of the Bond Trust Deed, the Security Deed, the Definitions Schedule (as defined below), the Principal Agency Agreement and each of the other Programme Documents are available for inspection and collection free of charge by appointment during normal business hours at the registered office for the time being of the Bond Trustee being at the Programme Date at 60/F, International Commerce Centre, 1 Austin Road West, Kowloon, Kong Hong and at the specified offices of each of the Principal Paying Agent, the EU Paying Agent and the U.S. Paying Agent, and at the Bond Trustee's, the Principal Paying Agent's, the EU Paying Agent's and the U.S. Paying Agent's option, such inspection can be provided electronically.

Copies of the applicable Final Terms for all Covered Bonds of each Series (including in relation to unlisted Covered Bonds of any Series) are obtainable during normal business hours at the specified office of the Paying Agents, the Registrars and the Transfer Agents. If the Covered Bonds are to be admitted to trading on the main market of the London Stock Exchange the applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory information service. If this Covered Bond is an Exempt Covered Bond, the applicable Pricing Supplement will only be obtainable by a Covered Bondholder holding one or more Covered Bonds and such Covered Bondholder must produce evidence satisfactory to the Issuer and the Bond Trustee or, as the case may be, the relevant Paying Agent, the relevant Registrar or relevant Transfer Agent as to its holding of Covered Bonds and identity. The Covered Bondholders and the Couponholders are deemed to have notice of, are bound by, and are entitled to the benefit of, all the provisions of, and definitions contained in, the Bond Trust Deed, the Security Deed, the Definitions Schedule (as defined below), the Principal Agency Agreement, each of the other Programme Documents and the applicable Final Terms which are applicable to them and to have notice of the Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) relating to each other Series.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions bear the meanings given to them in the Bond Trust Deed, the applicable Final Terms and/or the MBL Covered Bond Trust Definitions Schedule made between the parties to the Programme Documents on the Programme Date (the **Definitions Schedule**) (as the same may be amended and/or supplemented and/or restated from time to time), a copy of each of which may be obtained or inspected as described above. In the event of any inconsistency between the Bond Trust Deed and the Definitions Schedule, the Bond Trust Deed will prevail and in the event of any inconsistency between the Bond Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

1. FORM, DENOMINATION AND TITLE

The Covered Bonds are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of Definitive Covered Bonds (being Bearer Definitive Covered Bond(s) and/or, as the context may require, Registered Definitive Covered Bond(s)), serially numbered, in the Specified Currency and the Specified Denomination(s). Covered Bonds of one Specified Denomination may not be exchanged for Covered Bonds of another Specified Denomination and Bearer Covered Bonds may not be exchanged for Registered Covered Bonds or A$ Registered Covered Bonds and vice versa.

This Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond, a Zero Coupon Covered Bond or a combination of any of the foregoing depending upon the Interest Basis specified in the applicable Final Terms and depending on the Redemption/Payment Basis specified in the applicable Final Terms, and subject, in each case, to confirmation from the Rating Agencies that the then current credit ratings of any outstanding Series of Covered Bonds will not be adversely affected by the issuance of this Covered Bond.

If this Covered Bond is a Bearer Definitive Covered Bond, it is issued with Coupons and, if applicable, Talons attached unless it is a Zero Coupon Covered Bond in which case references to interest (other than in relation to interest due after the Final Maturity Date) and Coupons or Talons in these Conditions are not applicable.

Subject as set out below, title to the Bearer Covered Bonds and the Coupons will pass by delivery and title to the Registered Covered Bonds will pass upon the registration of transfers in accordance with the provisions of the Principal Agency Agreement and title to the A$ Registered Covered Bonds will pass upon registration of transfers in accordance with these Conditions. The Issuer, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee and each of the Agents will (except as otherwise permitted in the Bond Trust Deed and these Conditions or as ordered by a court of competent jurisdiction or as required by law or applicable regulations) deem and treat the bearer of any Bearer Covered Bond or Coupon and the registered holder of any Registered Covered Bond or A$ Registered Covered Bond as the absolute owner thereof (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Covered Bond, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Covered Bonds are represented by a Global Covered Bond deposited with a common depositary or common safekeeper, as the case may be, for Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A. (**Clearstream, Luxembourg**), or so long as a common depositary or common safekeeper, as the case may be, for Euroclear or Clearstream, Luxembourg or The Depository Trust Company (**DTC**) or its nominee is the registered holder of a Registered Global Covered Bond, each person (other than Euroclear, Clearstream, Luxembourg or DTC) who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the holder of a particular nominal amount of such Covered Bonds (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg or DTC as to the nominal amount of such Covered Bonds standing to the account of any person will be conclusive and binding for all purposes save in the case of manifest error and any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including, without limitation, Euroclear's EUCLID or Clearstream's Creation on-line system) in accordance with its usual procedures and in which the holder of a particular nominal amount of the Covered Bonds is clearly identified with the amount of such holding) will be treated by the Issuer, the Covered Bond Guarantor, the Paying Agents, the Security Trustee and the Bond Trustee as the holder of such nominal amount of such Covered Bonds for all purposes other than with respect to the payment of principal or interest or other amounts on such nominal amount of such Covered Bonds, and, in the case of DTC or its nominee, voting, giving consents and making requests, for which purpose the bearer of the relevant Global Covered Bond or the registered holder of the relevant Registered Global Covered Bond will be treated by the Issuer, the Covered Bond Guarantor, any Paying Agent, the Security Trustee and the Bond Trustee as the holder of such nominal amount of such Covered Bonds in accordance with and subject to the terms of the relevant Global Covered Bond and the expression **Covered Bondholder** and related expressions will be construed accordingly.

Covered Bonds which are represented by a Global Covered Bond will be transferable only in accordance with the rules and procedures for the time being of DTC or Euroclear and Clearstream, Luxembourg, as the case may be.

For so long as any of the A$ Registered Covered Bonds are lodged in the clearance and settlement system operated by Austraclear Ltd ABN 94 002 060 773 (**Austraclear** and such system being the **Austraclear System**) in accordance with the regulations and procedures established by Austraclear to govern the use of the Austraclear System (such regulations and procedures being the **Austraclear Regulations**) each person (other than Austraclear Ltd) who is for the time being shown in the records of Austraclear as the holder of such A$ Registered Covered Bonds (in which regard any certificate or other document issued by the Austraclear System or the A$ Registrar as to such A$ Registered Covered Bonds standing to the account of any person will be conclusive and binding for all purposes save in the case of manifest error and any such certificate or other document may comprise any form of statement or print out of electronic records provided by Austraclear or the A$ Registrar in accordance with its usual procedures and in which the holder of the A$ Registered Covered Bonds is clearly identified with the amount of such holding) will (except as otherwise permitted in the Bond Trust Deed and these Conditions or as ordered by a court of a competent jurisdiction or as required by applicable law or regulations) be treated by the Issuer, the

Covered Bond Guarantor, the Security Trustee and the Bond Trustee as the holder of such A$ Registered Covered Bonds for all purposes other than with respect to the payment of principal or interest or other amounts of such Covered Bonds and for the purpose of voting, giving consents and making requests in relation to such A$ Registered Covered Bonds and the expression Covered Bondholder and related expressions will be construed accordingly. For so long as any of the A$ Registered Covered Bonds are lodged in the Austraclear System, beneficial interests in A$ Registered Covered Bonds will be transferable only in accordance with the Austraclear Regulations. Where Austraclear Ltd is recorded in the A$ Register as the holder of an A$ Registered Covered Bond, each person in whose Security Record (as defined in the Austraclear Regulations) an A$ Registered Covered Bond is recorded is deemed to acknowledge in favour of the A$ Registrar, the Issuer and Austraclear Ltd that:

(i) the A$ Registrar's decision to act as the registrar of that A$ Registered Covered Bond is not a recommendation or endorsement by the A$ Registrar or Austraclear Ltd in relation to that A$ Registered Covered Bond, but only indicates that the A$ Registrar considers that the holding of the A$ Registered Covered Bonds is compatible with the performance by it of its obligations as A$ Registrar under the A$ Registry Agreement; and

(ii) the holder of the A$ Registered Covered Bond does not rely on any fact, matter or circumstance contrary to paragraph (i).

For so long as the Covered Bonds are represented by a Global Covered Bond and the relevant clearing systems so permit, the Covered Bonds will be tradeable only in the minimum authorised denomination of €100,000 and higher integral multiples of €1,000, notwithstanding that no definitive Covered Bonds will be issued with a denomination above €199,000.

References to DTC, the Austraclear System, Euroclear and/or Clearstream, Luxembourg will, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms or as may otherwise be approved by the Issuer, the Bond Trustee and, other than in respect of any A$ Registered Covered Bonds, the relevant Principal Paying Agent (any such clearing system, an **Alternative Clearing System**).

2. TRANSFERS OF REGISTERED COVERED BONDS

2.1 Transfers of interests in Registered Global Covered Bonds

Transfers of beneficial interests in Rule 144A Global Covered Bonds (as defined below) and Regulation S Global Covered Bonds (as defined below) (together, the **Registered Global Covered Bonds**) will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Covered Bonds represented by a Registered Global Covered Bond to such persons may depend upon the ability to exchange such Covered Bonds for Covered Bonds in definitive form. Similarly, because DTC can only act on behalf of Direct Participants, the ability of a person having an interest in Covered Bonds represented by a Registered Global Covered Bond accepted by DTC to pledge such Covered Bonds to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Covered Bonds may depend upon the ability to exchange such Covered Bonds for Covered Bonds in definitive form. A beneficial interest in a Registered Global Covered Bond will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Covered Bonds in definitive form or for a beneficial interest in another Registered Global Covered Bond only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Principal Agency Agreement. Transfers of a Registered Global Covered Bond registered in the name of a nominee for DTC will be limited to transfers of such Registered Global Covered Bond, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

2.2 Transfers of Registered Definitive Covered Bonds

Subject as provided in Conditions 2.6, 2.7 and 2.8 below, upon the terms and subject to the conditions set out in the Principal Agency Agreement, a Registered Definitive Covered Bond may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer: (i) the holder or holders must: (A) surrender the Registered Covered Bond for registration of the transfer of the Registered Covered Bond (or the relevant part of the Registered Covered Bond) at the specified office of the relevant Registrar or the relevant Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing; and (B) complete and deposit such other certifications as may be required by the relevant Registrar or, as the case may be, the relevant Transfer Agent; and (ii) the relevant Registrar or, as the case may be, the relevant Transfer Agent must be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the relevant Registrar may from time to time prescribe (the initial such regulations being set out in schedule 4 to the Principal Agency Agreement). Subject as provided above, the relevant Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Registrar or, as the case may be, the relevant Transfer Agent is located) of receipt of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request in writing, a new Registered Definitive Covered Bond (or the relevant part of the Registered Definitive Covered Bond) transferred. In the case of the transfer of part only of a Registered Definitive Covered Bond, a new Registered Definitive Covered Bond in respect of the balance of the Registered Definitive Covered Bond not transferred will be so authenticated and delivered or (at the risk of the transferor) sent by uninsured mail to the address specified in writing by the transferor.

2.3 Transfers of A$ Registered Covered Bonds

Title to the A$ Registered Covered Bonds passes when details of the transfer are entered in the A$ Register. The A$ Register will be closed for the purpose of determining entitlements to payments of interest and principal at 5.00 p.m. in the place where the A$ Register is kept on the eighth calendar day before the relevant date for payment, or such other date specified in or determined in accordance with the applicable Final Terms for that purpose (the **A$ Record Date**).

A$ Registered Covered Bonds may be transferred in whole but not in part. Application for the transfer of A$ Registered Covered Bonds not entered into the Austraclear System or any alternative clearing system must be made by the lodgement of a transfer form with the A$ Registrar at its specified office. Each transfer form must be duly completed, accompanied by any evidence the A$ Registrar may require to establish that the transfer form has been duly executed and signed by the transferor and the transferee.

If a Covered Bondholder transfers some but not all of the A$ Registered Covered Bonds it holds and the transfer form does not identify the specific Covered Bonds transferred, the A$ Registrar may choose which A$ Registered Covered Bonds registered in the name of the Covered Bondholder have been transferred. However, the Principal Amount Outstanding of the A$ Registered Covered Bonds registered as transferred must equal the Principal Amount Outstanding of the A$ Registered Covered Bonds expressed to be transferred in the transfer form.

For so long as any of the A$ Registered Covered Bonds are lodged in the Austraclear System, beneficial interests in A$ Registered Covered Bonds will be transferable only in accordance with the Austraclear Regulations.

2.4 Partial redemption

In the event of a partial redemption of Covered Bonds under Condition 5.3, the Issuer will not be required to:

(i) register the transfer of any Registered Covered Bond or A$ Registered Covered Bond, or part of a Registered Covered Bond or an A$ Registered Covered Bond, called for partial redemption; or

(ii) exchange any Bearer Definitive Covered Bond called for partial redemption.

2.5 Costs of registration

Covered Bondholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer, the A$ Registrar, any Registrar or any Transfer Agent may require the payment of a sum sufficient to cover any Taxes, including stamp duty, GST or other governmental charge that may be imposed in relation to the registration.

2.6 Transfers of interests in Regulation S Global Covered Bonds in the United States or to U.S. persons

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Covered Bond to a transferee in the United States or who is a U.S. person will only be made (i) upon receipt by the relevant Registrar or the relevant Transfer Agent of a written certification substantially in the form set out in the Principal Agency Agreement, amended as appropriate (a **Transfer Certificate**), copies of which are available from the specified office of the relevant Registrar or relevant Transfer Agent, from the transferor of the Covered Bond or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any State of the United States or any other jurisdiction; or (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States and, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdiction.

In the circumstances set out in this Condition 2.6, such transferee may take delivery through a Rule 144A Covered Bond in global or definitive form.

Prior to the end of the applicable Distribution Compliance Period beneficial interests in Regulation S Global Covered Bonds registered in the name of a nominee for DTC may only be held through the accounts of Euroclear and Clearstream, Luxembourg. After expiry of the applicable Distribution Compliance Period: (i) beneficial interests in Regulation S Global Covered Bonds registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC or indirectly through a participant in DTC; and (ii) such certification requirements will no longer apply to such transfers.

2.7 Transfers of interests in Rule 144A Covered Bonds

Transfers of Rule 144A Covered Bonds or beneficial interests therein may be made:

(i) to a transferee who takes delivery of such interest through a Regulation S Global Covered Bond, upon receipt by the relevant Registrar or the relevant Transfer Agent of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that, in the case of a Regulation S Global Covered Bond registered in the name of a nominee for DTC, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Covered Bonds being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or

(ii) to a transferee who takes delivery of such interest through a Rule 144A Covered Bond where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdiction.

Upon the transfer, exchange or replacement of Rule 144A Covered Bonds, or upon specific request for removal of the legend therein, the relevant Registrar or the Transfer Agent will deliver only Rule 144A Covered Bonds or refuse to remove the legend therein, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

2.8 Principal Paying Agent, Paying Agents, Registrar, Transfer Agent and Exchange Agent

The names of the initial Registrars and other initial Transfer Agents and Exchange Agent(s) and their initial specified offices in respect of this Series of Covered Bonds are set out at the end of these Conditions.

The Issuer reserves the right at any time to vary or terminate the appointment of the Registrars or any other Transfer Agents or Exchange Agent(s) and to appoint another Registrar or additional or other Transfer Agents or Exchange Agent(s) provided that it will at all times maintain a Registrar and another Transfer Agent or Exchange Agent(s) each having a specified office which, in the case of the (i) Registrar and so long as any Covered Bonds of this Series are admitted to the official list (the **Official List**) of the FCA and to trading on the London Stock Exchange plc's regulated market or on another stock exchange, is in London or such other place as may be required by that stock exchange or (ii) U.S. Registrar, is in New York or such other place as may be required by a stock exchange on which Covered Bonds are listed. Notice of any termination or appointment and of any changes in specified offices will be given to the holders of the Covered Bonds of this Series promptly by the Issuer in accordance with Condition 12.

In the event of the appointed A$ Registrar being unable or unwilling to continue to act as the A$ Registrar, or failing duly to comply with the A$ Registry Agreement, the Issuer will appoint such other registrar and/or paying agent as may be approved by the Bond Trustee to act as such in its place. The A$ Registrar may not resign its duties or be removed from office without a successor having been appointed as stated above.

The names of the initial Principal Paying Agents and the other initial Paying Agents and their initial specified offices in respect of this Series of Covered Bonds are set out below. The Issuer and (following service of a Notice to Pay but prior to the service of a Covered Bond Guarantee Acceleration Notice) the Covered Bond Guarantor may at any time vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that:

(a) it will at all times maintain a Principal Paying Agent, a Registrar and, so long as any A$ Registered Covered Bonds are outstanding, an A$ Registrar;

(b) for so long as any Covered Bonds are admitted to the Official List and to trading on the London Stock Exchange plc's market for listed securities or on another stock exchange, a Paying Agent (which may be the Principal Paying Agent) having a specified office in London or other place as may be required by that stock exchange;

(c) for so long as any Registered Global Covered Bonds payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will be an Exchange Agent; and

(d) for so long as any Exempt Covered Bonds are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Covered Bonds) and a Transfer Agent (in the case of Registered Covered Bonds) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or as the case may be, other relevant authority.

In addition, the Issuer must forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.4. Any such variation, termination or change may only take effect (other than in the case of insolvency, when it may be of immediate effect) after not less than 30 days' prior notice thereof has been given to the holders of the Covered Bonds of this Series in

accordance with Condition 12 and provided further that neither the resignation nor the removal of the Principal Paying Agent or the U.S. Paying Agent will take effect, except in the case of insolvency as aforesaid, until a new Principal Paying Agent and/or U.S. Paying Agent has been appointed. Notice of any change in or addition to the Paying Agents or their specified offices will be given by the Issuer promptly in accordance with Condition 12.

2.9 Exchanges and transfers of Registered Covered Bonds generally

Holders of Registered Covered Bonds in definitive form may exchange such Covered Bonds for interests in a Registered Global Covered Bond of the same type at any time.

2.10 Definitions

In these Conditions, the following expressions have the following meanings:

Distribution Compliance Period means the period that ends 40 days after the completion of the distribution of the relevant Tranche of Covered Bonds.

QIB means a "qualified institutional buyer" within the meaning of Rule 144A.

Regulation S means Regulation S under the Securities Act.

Regulation S Global Covered Bond means a Registered Global Covered Bond representing Covered Bonds sold to non-U.S. Persons outside the United States in reliance on Regulation S.

Rule 144A means Rule 144A under the Securities Act.

Rule 144A Global Covered Bond means a Registered Global Covered Bond representing Covered Bonds initially sold in the United States to QIBs in reliance on Rule 144A.

Securities Act means the United States Securities Act of 1933, as amended.

3. STATUS OF THE COVERED BONDS AND THE COVERED BOND GUARANTEE

3.1 Status of the Covered Bonds

The Covered Bonds of this Series and any relevant Coupons constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference or priority among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (other than any obligation preferred by mandatory provisions of applicable law) from time to time outstanding.

3.2 Changes to applicable laws may extend the debts required to be preferred by law

The Issuer is an authorised deposit-taking institution (**ADI**) as that term is defined under the Banking Act 1959 of the Commonwealth of Australia (**Australian Banking Act**). The Australian Banking Act provides that, in the event an ADI becomes unable to meet its obligations or suspends payment, the ADI's assets in Australia are to be available to satisfy specified liabilities of the ADI in priority to all other liabilities of the ADI (including the Covered Bonds). These specified liabilities include first, certain obligations of the ADI to the Australian Prudential Regulation Authority (**APRA**) in respect of amounts payable by APRA to holders of protected accounts and any administration costs incurred by APRA. Then, as the next priority, other liabilities of the ADI in Australia in relation to protected accounts that account-holders keep with the ADI. Following this, any debts that the ADI owes to the Reserve Bank of Australia and any liabilities under an industry support contract (certified under section 11CB of the Australian Banking Act) and then, any other liabilities, in the order of their priority. The Covered Bonds of this Series do not constitute a protected account of, or a deposit with, the Issuer. Changes to applicable law may extend the liabilities required to be preferred by law.

In addition, the Issuer's indebtedness is not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction.

3.3 Status of the Covered Bond Guarantee

The payment of Guaranteed Amounts in respect of the Covered Bonds when the same become Due for Payment has been unconditionally and irrevocably guaranteed by the Covered Bond Guarantor (the **Covered Bond Guarantee**) as set out in the Bond Trust Deed. However, the Covered Bond Guarantor will have no obligation under the Covered Bond Guarantee to pay any Guaranteed Amounts until the occurrence of an Issuer Event of Default, service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and service by the Bond Trustee on the Covered Bond Guarantor of a Notice to Pay or, if earlier, following the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following an Issuer Event of Default, service of an Issuer Acceleration Notice and service of a Notice to Pay or a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice), direct and unconditional (subject as provided in Condition 15) obligations of the Covered Bond Guarantor, which are secured as provided in the Security Deed.

Any payment made by the Covered Bond Guarantor under the Covered Bond Guarantee will (unless such obligation has been discharged as a result of the payment of Excess Proceeds to the Bond Trustee pursuant to Condition 9) discharge *pro tanto* the obligations of the Issuer in respect of such payment under the Covered Bonds and Coupons except where such payment has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Bond Trustee or the Covered Bondholders.

4. INTEREST

4.1 Interest on Fixed Rate Covered Bonds

(a) Each Fixed Rate Covered Bond bears interest on its Principal Amount Outstanding from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest specified in the applicable Final Terms. Interest will accrue in respect of each **Interest Period** (which expression will in these Conditions mean the period from (and including) an Interest Payment Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date. If a Notice to Pay is served on the Covered Bond Guarantor, the Covered Bond Guarantor will pay Guaranteed Amounts in equivalent amounts to those described above under the Covered Bond Guarantee in respect of the Covered Bonds on the applicable Original Due for Payment Dates or, if applicable, the Extended Due for Payment Date.

If the Covered Bonds are Definitive Covered Bonds and if a Fixed Coupon Amount is specified in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount or the Broken Amount (if any) so specified.

Interest will be paid subject to and in accordance with the provisions of Condition 6 (unless otherwise specified in the applicable Final Terms). Interest will cease to accrue on each Fixed Rate Covered Bond (or, in the case of the redemption of part only of a Fixed Rate Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event, interest will continue to accrue (both before and after any judgment) until, but excluding, whichever is the earlier of (i) the day on which all sums due in respect of such Fixed Rate Covered Bond up to that day are received by or on behalf of the holder of such Fixed Rate Covered Bond and (ii) the day which is seven days after the date on which the relevant Principal Paying Agent or, in the case of A$ Registered Covered Bonds, the A$ Registrar has notified the holder in accordance with Condition 12 that it has received all sums due in respect thereof up to that date.

(b) Except in the case of Covered Bonds which are Definitive Covered Bonds where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms interest must be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Fixed Rate Covered Bonds which are Global Covered Bonds, the aggregate Calculation Amount of the Fixed Rate Covered Bonds represented by such Global Covered Bonds; or

(ii) in the case of Fixed Rate Covered Bonds which are Definitive Covered Bonds, the Calculation Amount; or

(iii) in the case of Fixed Rate Covered Bonds which are A$ Registered Covered Bonds, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Covered Bond which is a Definitive Covered Bond is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Covered Bond will be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In this Condition 4.1, **Day Count Fraction** has the meaning given to it in Condition 4.4.

In these Conditions, **sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

4.2 Interest on Floating Rate Covered Bonds

(a) Interest Payment Dates

Each Floating Rate Covered Bond bears interest in respect of each **Interest Period** (which expression will in these Conditions mean the period from (and including) a Specified Interest Payment Date (or if none the Interest Commencement Date to (but excluding) the next (or first) Specified Interest Payment Date). For the purposes of this Condition 4.2, **Interest Payment Date** means either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date. If a Notice to Pay is served on the Covered Bond Guarantor, the Covered Bond Guarantor will pay Guaranteed Amounts in equivalent amounts to those described above under the Covered Bond Guarantee in respect of the Covered Bonds on the applicable Original Due for Payment Dates or, if applicable, the Extended Due for Payment Date.

(b) Interest Payments and Accrual

Interest will be paid subject to and in accordance with the provisions of Condition 6 (unless otherwise specified in the applicable Final Terms). Interest will cease to accrue on each Floating

Rate Covered Bond (or, in the case of the redemption of part only of a Floating Rate Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after any judgment) until, but excluding, whichever is the earlier of (i) the day on which all sums due in respect of such Floating Rate Covered Bond up to that day are received by or on behalf of the holder of such Floating Rate Covered Bond and (ii) the day which is seven days after the date on which the Principal Paying Agent has notified the holder in accordance with Condition 12 that it has received all sums due in respect thereof up to that date.

(c) Rate of Interest

The Rate of Interest payable from time to time in respect of each Floating Rate Covered Bond will be determined in the manner specified in the applicable Final Terms.

(d) Screen Rate Determination for Floating Rate Covered Bonds referencing a Term Rate

(i) Where "Screen Rate Determination – Term Rate" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(A) the offered quotation; or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards or, in the case of A$ Registered Covered Bonds only, rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the relevant Principal Paying Agent, the Calculation Agent or other person specified in the applicable Final Terms. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) must be disregarded by the relevant Principal Paying Agent or the Calculation Agent or that other person for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

(ii) if Condition 4.2(d)(i)(A) above applies, no Reference Rate (as specified in the applicable Final Terms) appears on the Relevant Screen Page as at 11.00 a.m. (Brussels time, in the case of EURIBOR) on the Interest Determination Date or if Condition 4.2(d)(i)(B) above applies and fewer than three offered quotations appear on the Relevant Screen Page as at 11.00 a.m. (Brussels time, in the case of EURIBOR) on the Interest Determination Date, subject as provided below, the Rate of Interest will be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations that each of the Reference Banks is quoting (or such of them, being at least two, as are so quoting) to leading banks in the Relevant Financial Centre as at 11.00 a.m. (Brussels time, in the case of EURIBOR) on the Interest Determination Date for deposits of the Specified Currency for a term equal to the relevant Interest Period, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent.

(iii) If Condition 4.2(d)(ii) above applies and the Principal Paying Agent determines that fewer than two Reference Banks are so quoting the Reference Rate (as specified in the applicable Final Terms), subject as provided below, the Rate of Interest will be the arithmetic mean (rounded as provided above) of the rates per annum (expressed as a

percentage), which the Principal Paying Agent determines to be the nearest equivalent to the Reference Rate (as specified in the applicable Final Terms), in respect of deposits of the Specified Currency that at least two out of five leading banks selected by the Principal Paying Agent (after consultation with the Issuer) in the Principal Financial Centre of the country of the Specified Currency, in each case as selected by the Principal Paying Agent (after consultation with the Issuer), are quoting at or about 11.00 a.m. (Brussels time, in the case of EURIBOR) for a period commencing on the Effective Date equivalent to the relevant Interest Period to leading banks carrying on business in the Euro-zone inter-bank market (if the Reference Rate specified in the applicable Final Terms is EURIBOR), in either case plus or minus (as indicated in the applicable Final Terms appropriate) the Margin (if any); except that, if fewer than two of such banks are so quoting to such leading banks, the Rate of Interest will be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin or Maximum or Minimum Rate of Interest applicable to the preceding Interest Period and to the relevant Interest Period), plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

(iv) In the case of A$ Registered Covered Bonds, in the event that the Relevant Screen Page is not available or if the Reference Rate does not appear on the Relevant Screen Page by 10.45 a.m. in the Relevant Financial Centre (or such other time that is 15 minutes after the then Relevant Time in the Relevant Financial Centre), then the Rate of Interest shall be determined in good faith by the Issuer on the Interest Determination Date having regard to comparable indices then available. Any such Rate of Interest shall be notified to the relevant Principal Paying Agent or Calculation Agent, as applicable, as soon as practicable after its determination.

(e) Screen Rate Determination for Floating Rate Covered Bonds referencing SONIA

(i) Where "Screen Rate Determination – SONIA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily SONIA Formula", the Rate of Interest for a SONIA Interest Accrual Period (as defined below) will, subject as provided below, be Compounded Daily SONIA Formula Rate with respect to such SONIA Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Compounded Daily SONIA Formula Rate means, with respect to a SONIA Interest Accrual Period, the rate of return of a daily compound interest investment in Sterling (with the Sterling Overnight Index Average as the reference rate for the calculation of interest) as calculated by the relevant Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

d is the number of calendar days in:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant SONIA Interest Accrual Period; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

d_o is the number of London Banking Days in:

(a) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant SONIA Interest Accrual Period; or

(b) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

i is a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day:

(a) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant SONIA Interest Accrual Period; or

(b) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

London Banking Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

$\mathbf{n_i}$, for any London Banking Day "i", means the number of calendar days from (and including) such London Banking Day "i" up to (but excluding) the following London Banking Day;

Observation Period means, in respect of a SONIA Interest Accrual Period, the period from (and including) the date falling "*p*" London Banking Days prior to the first day of the relevant SONIA Interest Accrual Period to (but excluding) the date falling "*p*" London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SONIA Interest Accrual Period) the date on which the relevant payment of interest falls due;

p means:

(a) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days included in the “Lag Lookback Period (*p*)” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or

(b) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days included in the “Observation Shift Period” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days);

the **SONIA reference rate** means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following such London Banking Day;

$\mathbf{SONIA_i}$ means, in respect of any London Banking Day "i":

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the SONIA reference rate in respect of the London Banking Day falling "*p*" London Banking Days prior to the relevant London Banking Day "i"; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the SONIA reference rate in respect of the relevant London Banking Day "i".

(ii) Where "Screen Rate Determination – SONIA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SONIA Index Determination", the Rate of Interest for an Interest Period will, subject as provided below, be the SONIA Compounded Index Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

SONIA Compounded Index Rate means, with respect to an Interest Period, the rate of return of a daily compound interest investment as calculated by the Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left(\frac{SONIA\ Compounded\ Index_{End}}{SONIA\ Compounded\ Index_{Start}} - 1\right) \times \frac{365}{d}$$

where:

d is the number of calendar days from (and including) the day in relation to which "SONIA Compounded $Index_{Start}$" is determined to (but excluding) the day in relation to which "SONIA Compounded $Index_{End}$" is determined (being the number of calendar days in the applicable reference period);

London Banking Day has the meaning set out in Condition 4.2(e)(i) above;

Relevant Number is as specified in the applicable Final Terms;

SONIA Compounded $Index_{End}$ means the SONIA Compounded Index value relating to the London Banking Day falling the Relevant Number of London Banking Days prior to (I) the Interest Payment Date for the relevant Interest Period or (II) if applicable, the relevant payment date if the Covered Bonds become due and payable on a date other than an Interest Payment Date;

SONIA Compounded $Index_{Start}$ means the SONIA Compounded Index value relating to the London Banking Day falling the Relevant Number of London Banking Days prior to the first day of the relevant Interest Period; and

the **SONIA Compounded Index** means, with respect to any London Banking Day, the value of the SONIA Compounded Index that is provided by the administrator of the SONIA reference rate to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) in respect of such London Banking Day.

If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the Relevant Time specified in the applicable Final Terms on the relevant Interest Determination Date, the SONIA Compounded Index Rate for the applicable Interest Period for which the SONIA Compounded Index is not available shall be the "Compounded Daily SONIA Formula Rate" determined in accordance with Condition 4.2(e)(i) above as if the Calculation Method specified in the applicable Final Terms were "Compounded Daily SONIA Formula" (and not "SONIA Index Determination"), and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift", and

(ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Final Terms.

(iii) Where "Screen Rate Determination - SONIA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "Average SONIA", the Rate of Interest for an Interest Period will, subject as provided below, be the Average SONIA Rate with respect to such Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

Average SONIA Rate means, with respect to an Interest Period, the arithmetic mean of the SONIA reference rate in effect during such Interest Period as calculated by the Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_o} SONIA_i \times n_i}{d}$$

where $\mathbf{d_o}$, **i**, **SONIA reference rate**, $\mathbf{SONIA_i}$, $\mathbf{n_i}$ and **d** have the meanings set out in Condition 4.2(e)(i) above.

(iv) For the purposes of Conditions 4.2(e)(i) and 4.2(e)(iii) above, and subject to Condition 4.2(e)(vii) below, if, in respect of any London Banking Day in the relevant Observation Period or the relevant Interest Period, as applicable, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that the applicable SONIA reference rate has not been made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms, as applicable) shall determine the SONIA reference rate in respect of such London Banking Day as being:

(A) (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(B) if the Bank Rate under (A)(i) above is not available at the relevant time, either (i) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (ii) if this is more recent, the latest rate determined under (A)(i) above,

and in each case **SONIA reference rate** shall be interpreted accordingly.

(v) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be:

(A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or

(B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period).

(vi) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, the final Rate of Interest shall be calculated for the period from (and including) the previous Interest Payment Date to (but excluding) the date on which the Covered Bonds become so due and payable, and such Rate of Interest shall continue to apply to the Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4.2(b) and the Bond Trust Deed.

(vii) As used herein, a SONIA Interest Accrual Period means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, shall be the date on which such Covered Bonds become due and payable).

(f) Screen Rate Determination for Floating Rate Covered Bonds referencing SOFR

(i) Where "Screen Rate Determination—SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SOFR Arithmetic Mean", the Rate of Interest for a SOFR Interest Accrual Period (as defined below) will, subject as provided below, be the SOFR Arithmetic Mean with respect to such SOFR Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

SOFR Arithmetic Mean means, with respect to a SOFR Interest Accrual Period, the arithmetic mean of the SOFR rates for each U.S. Government Securities Business Day during such SOFR Interest Accrual Period as calculated by the Calculation Agent on the relevant Interest Determination Date, where the SOFR rate on the SOFR Rate Cut-Off Date shall be used for the days in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due.

(ii) Where "Screen Rate Determination—SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SOFR Delay Compound", the Rate of Interest for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-DELAY-COMPOUND plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

SOFR-DELAY-COMPOUND means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Interest Payment Determination Date, as follows (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right] \times \frac{360}{d}$$

where:

d means the number of calendar days in the relevant SOFR Interest Accrual Period;

d_0, for any SOFR Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Interest Accrual Period;

i means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period;

SOFR Interest Accrual Period End Dates means the dates specified in the applicable Final Terms, ending on the Maturity Date or, if the Covered Bonds are elected to be redeemed on any earlier redemption date, the redemption date;

SOFR Interest Payment Determination Date means the SOFR Interest Accrual Period End Date at the end of each SOFR Interest Accrual Period; provided that the SOFR Interest Payment Determination Date with respect to the final SOFR Interest Accrual Period will be the SOFR Rate Cut-Off Date;

n_i, for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period, is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1"); and

SOFR$_i$ means, for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period, SOFR in respect of that day "i"; provided that, for purposes of calculating compounded SOFR with respect to the final SOFR Interest Accrual Period, the level of SOFR for each U.S. Government Securities Business Day in the period from and including the SOFR Rate Cut-Off Date to, but excluding, the maturity date or any earlier redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

(iii) Where "Screen Rate Determination—SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SOFR Index Compound", the Rate of Interest for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-INDEX-COMPOUND plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

SOFR-INDEX-COMPOUND means, with respect to a SOFR Interest Accrual Period, the rate calculated by the Calculation Agent on each SOFR Index Determination Date, as follows (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{\text{SOFR Index}_{\text{End}}}{\text{SOFR Index}_{\text{Start}}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

where:

d_c means the number of calendar days from and including the SOFR $\text{Index}_{\text{Start}}$ date to but excluding the SOFR $\text{Index}_{\text{End}}$ date;

p means in relation to any SOFR Interest Accrual Period, the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

SOFR $\text{Index}_{\text{End}}$ means the SOFR Index value on the day which is "p" U.S. Government Securities Business days preceding (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due (each, a **SOFR Index Determination Date**); and

SOFR $\text{Index}_{\text{Start}}$ means the SOFR Index value on the day which is "p" U.S. Government Securities Business days preceding the first date of the relevant SOFR Interest Accrual Period (each, a **SOFR Index Determination Date**).

(iv) Where "Screen Rate Determination—SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Calculation Method is specified in the applicable Final Terms as being "SOFR Lockout Compound", the Rate of Interest for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-LOCKOUT-COMPOUND plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

"**SOFR-LOCKOUT-COMPOUND**" means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Rate Cut-Off Date, as follows (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\text{SOFR}_i \times n_i}{360}\right)-1\right] \times \frac{360}{d}$$

where:

d means the number of calendar days in the relevant SOFR Interest Accrual Period;

d_0, for any SOFR Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Interest Accrual Period;

i means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period;

n_i for any U.S. Government Securities Business Day "i" in the relevant interest period means the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1");

$SOFR_i$ means, for any U.S. Government Securities Business Day "i" that is a SOFR Interest Reset Date, SOFR in respect of such SOFR Interest Reset Date; provided, however, that the SOFR with respect to each SOFR Interest Reset Date in the period from and including, the SOFR Rate Cut-Off Date to, but excluding, the corresponding interest payment date of an interest period, will be the SOFR with respect to the SOFR Rate Cut-Off Date for such interest period; and

SOFR Interest Reset Date means each U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period.

(v) Where "Screen Rate Determination—SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SOFR Lookback Compound", the Rate of Interest for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-LOOKBACK-COMPOUND plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

SOFR-LOOKBACK-COMPOUND means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Interest Determination Date, as follows (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_{i\text{-}pUSGSBD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

d means the number of calendar days in the relevant SOFR Interest Accrual Period;

d_0, for any interest period, means the number of U.S. Government Securities Business Days in the relevant SOFR Interest Accrual Period;

i means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period;

SOFR Interest Determination Date means, the date "p" U.S. Government Securities Business Days before (A) (in the case of each Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due;

n_i for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period means the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1");

p means the number of U.S. Government Securities Business Days specified in the applicable Final Terms; and

$SOFR_{i\text{-}pUSGSBD}$ means, for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period, the SOFR in respect of the U.S. Government

Securities Business Day falling "p" U.S. Government Securities Business Days prior to that day "i".

(vi) Where "Screen Rate Determination—SOFR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Calculation Method is specified in the applicable Final Terms as being "SOFR Shift Compound", the Rate of Interest for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-SHIFT-COMPOUND plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

SOFR-SHIFT-COMPOUND means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Interest Determination Date, as follows (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{\mathrm{SOFR}_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

d means the number of calendar days in the relevant Observation Period;

d_0, for any Observation Period, means the number of U.S. Government Securities Business Days in the relevant Observation Period;

i means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

SOFR Interest Determination Date means, the date "p" U.S. Government Securities Business Days before (A) (in the case of each Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due;

n_i for any U.S. Government Securities Business Day "i" in the relevant Observation Period means the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1");

SOFR_i means, for any U.S. Government Securities Business Day "i" in the relevant Observation Period, SOFR in respect of that day "i";

Observation Period means, the period from, and including, the date "p" U.S. Government Securities Business Days preceding the first date in each SOFR Interest Accrual Period to, but excluding, the date "p" U.S. Government Securities Business Days preceding (A) (in the case of each Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due; and

p means the number of U.S. Government Securities Business Days specified in the applicable Final Terms.

(vii) Notwithstanding any other provisions in these Conditions, if: (i) the Benchmark is SOFR or SOFR Index; and (ii) any Rate of Interest (or any component part thereof) remains to be determined by reference to the Benchmark, then the following provisions of this Condition 4.2(f)(vii) shall apply:

(I) **Benchmark Replacement**

If the Issuer or its designee determines prior to the Reference Time on the relevant Interest Determination Date that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then current Benchmark for all purposes relating to the Covered Bonds in respect of all determinations on such date and all determinations on all subsequent dates (subject to any subsequent application of this Condition 4.2(f)(vii) with respect to such Benchmark Replacement).

In the event that the Issuer or its designee is unable to, or does not, determine a Benchmark Replacement, or a Benchmark Replacement is not implemented in accordance with this Condition 4.2(f)(vii), prior to 5.00 p.m. (New York City time) on the relevant Interest Determination Date, the Rate of Interest for the relevant Interest Period shall be:

(1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Period); or

(2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period).

(II) **Benchmark Replacement Conforming Changes**

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

At the request of the Issuer, but subject to receipt by the Bond Trustee and the Principal Paying Agent of the certificate referred to in Condition 4.2(f)(vii)(IV) below and subject as provided below, the Bond Trustee and the Agents (as applicable) shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders or Couponholders and without liability to the Covered Bondholders or any other person, be obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes (including, inter alia, by the execution of a deed supplemental to or amending the Bond Trust Deed) with effect from the date specified in the notice referred to in Condition 4.2(f)(vii)(IV) below.

Notwithstanding any other provision of this Condition 4.2(f)(vii)(II), neither the Bond Trustee nor the Agents (as applicable) shall be obliged to concur with the Issuer in respect of any Benchmark Replacement Conforming Changes which, in the sole opinion of the Bond Trustee or the relevant Agent (as applicable), would (i) expose the Bond Trustee or the relevant Agent (as applicable) to any additional liability, or (ii) increase the obligations or duties, or decrease the rights or protections, afforded to the Bond Trustee or the relevant Agent (as applicable) in the Bond Trust Deed (including, for the avoidance of doubt, any supplemental trust deed), the relevant Agency Agreement and/or these Conditions.

(III) **Decisions and Determinations**

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4.2(f)(vii), including (without limitation) any determination with respect to a tenor, rate or adjustment or the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or its designee's sole discretion (as applicable), and, notwithstanding anything to the contrary in these Conditions or the Bond Trust Deed, shall become effective without any requirement for the consent or approval of the Covered Bondholders, Couponholders or any other party.

In connection with any Benchmark Replacement Conforming Changes in accordance with this Condition 4.2(f)(vii), if and for so long as the Covered Bonds are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

(IV) **Notice and Certification**

Any Benchmark Replacement Conforming Changes determined under this Condition 4.2(f)(vii) shall be notified promptly (in any case, not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Bond Trustee, the party responsible for determining the Rate of Interest (being the Principal Paying Agent or other such party specified in the applicable Final Terms, as applicable) and, in accordance with Condition 12, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Replacement Conforming Changes.

No later than notifying the Bond Trustee and the party responsible for determining the Rate of Interest (being the Principal Paying Agent or such other party specified in the applicable Final Terms, as applicable) of the same, the Issuer shall deliver to each of the Bond Trustee and the Principal Paying Agent a certificate (on which each of the Bond Trustee and the Principal Paying Agent shall be entitled to rely without further enquiry or liability) signed by one Authorised Officer of the Issuer of the Issuer confirming (i) that a Benchmark Transition Event has occurred, (ii) the Benchmark Replacement, and (iii) the specific terms of any Benchmark Replacement Conforming Changes, in each case, as determined in accordance with the provisions of this Condition 4.2(f)(vii).

If, following the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, any Benchmark Replacement is notified to the Principal Paying Agent or any other party specified in the applicable Final Terms as being responsible for determining the Rate of Interest pursuant to this Condition 4.2(f)(vii), and the Principal Paying Agent or such other responsible party (as

applicable) is in any way uncertain as to the application of such Benchmark Replacement in the calculation or determination of any Rate of Interest, it shall promptly notify the Issuer thereof and the Issuer or its designee shall direct the Principal Paying Agent or such other party (as applicable) in writing as to which course of action to adopt in the application of such Benchmark Replacement in the determination of such Rate of Interest. If the Principal Paying Agent or such other party specified in the applicable Final Terms as being responsible for determining the Rate of Interest is not promptly provided with such direction, it shall notify the Issuer thereof, and the Principal Paying Agent or such other party (as applicable) shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Principal Paying Agent or such other party (as applicable) remains uncertain of the application of the Benchmark Replacement in the calculation or determination of any Rate of Interest, the original Benchmark and any other applicable fallback provisions provided for in this Condition 4.2(f) and/or the applicable Final Terms, as the case may be, will continue to apply.

(viii) For the purposes of this Condition 4.2(f):

Benchmark means, initially, SOFR or SOFR Index, as applicable; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or SOFR Index, as applicable, or the then current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Determining Person, after consulting with the Issuer, of the Benchmark Replacement Date:

(a) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then current Benchmark and (ii) the Benchmark Replacement Adjustment;

(b) the sum of: (i) the ISDA Fallback Rate and (ii) the Benchmark Replacement Adjustment; or

(c) the sum of: (i) the alternate rate of interest that has been selected by the Determining Person, after consulting with the Issuer, as the replacement for the then current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then current Benchmark for U.S. dollar-denominated floating rate bonds at such time and (ii) the Benchmark Replacement Adjustment.

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Determining Person, after consulting with the Issuer, as of the Benchmark Replacement Date:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(b) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; or

(c) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Determining Person, after consulting with the Issuer, giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate bonds at such time.

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the interest period, timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters (including changes to the fallback provisions)) that the Determining Person, after consulting with the Issuer, decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Determining Person, after consulting with the Issuer, decides that adoption of any portion of such market practice is not administratively feasible or if the Determining Person, after consulting with the Issuer, determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Determining Person, after consulting with the Issuer, determines is reasonably necessary).

Benchmark Replacement Date means the earliest to occur of the following events with respect to the then current Benchmark (including the daily published component used in the calculation thereof):

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then current Benchmark (including any daily published component used in the calculation thereof):

(a) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank

for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

Determining Person means the Issuer, an affiliate of the Issuer, an alternative calculation agent (other than the Calculation Agent) or an independent financial institution appointed by the Issuer.

ISDA Definitions means each of the 2006 ISDA Definitions and the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

ISDA Fallback Adjustment means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

ISDA Fallback Rate means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

New York Federal Reserve's Website means the website of the New York Federal Reserve, currently at http://www.newyorkfed.org, or any successor website of the New York Federal Reserve or the website of any successor administrator of SOFR.

Reference Time with respect to any determination of the Benchmark means (i) if the Benchmark is SOFR or SOFR Index, the relevant SOFR Determination Time, and (ii) if the Benchmark is neither SOFR nor SOFR Index, the time determined by the Determining Person, after consulting with the Issuer, after giving effect to the Benchmark Replacement Conforming Changes.

Relevant Governmental Body means the Board of Governors of the Federal Reserve System and/or the New York Federal Reserve, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the New York Federal Reserve or any successor thereto.

SOFR means, with respect to any U.S. Government Securities Business Day:

(a) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day as published by the New York Federal Reserve, as the administrator of such rate (or a successor administrator), on the New York

Federal Reserve's Website (or such successor administrator's website) on or about 3:00 p.m., New York City time, on the immediately following U.S. Government Securities Business Day (the **SOFR Determination Time**); or

(b) if the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day does not appear as specified in clause (a) above, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Secured Overnight Financing Rate in respect of the first preceding U.S. Government Securities Business Day for which such rate was published on the New York Federal Reserve's Website (or such successor administrator's website); or

(c) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Benchmark Replacement.

SOFR Index means, with respect to any U.S. Government Securities Business Day:

(a) the value as published by the New York Federal Reserve, as the administrator of such index (or a successor administrator), on the New York Federal Reserve's Website (or such successor administrator's website) on or about 3:00 p.m., New York City time, on such U.S. Government Securities Business Day (the **SOFR Determination Time**); or

(b) if such value in respect of such U.S. Government Securities Business Day does not appear as specified in clause (a) above, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, SOFR-INDEX-COMPOUND shall be the rate determined pursuant to the SOFR Index Unavailable Provision; or

(c) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Benchmark Replacement.

SOFR Index Unavailable Provision means if a SOFR $\text{Index}_{\text{Start}}$ or SOFR $\text{Index}_{\text{End}}$ is not published on the associated SOFR Index Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR Index, SOFR-INDEX-COMPOUND means, for the applicable interest period for which SOFR Index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for "SOFR Averages", and definitions required for such formula, published on the New York Federal Reserve's Website. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period" and the words "that is, 30-, 90-, or 180- calendar days" shall be removed. If the daily SOFR (**SOFR_i**) does not so appear for any day, "i" in the Observation Period, SOFR_i for such day "i" shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the New York Federal Reserve's Website.

SOFR Interest Accrual Period means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, shall be the date on which such Covered Bonds become due and payable).

SOFR Rate Cut-Off Date means the date that is five U.S. Government Securities Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period, or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due, or such other date specified in the applicable Final Terms.

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

U.S. Government Securities Business Day means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(g) BBSW Rate Determination for Floating Rate Covered Bonds

(i) *BBSW Rate Determination*

I. Where "BBSW Rate Determination" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the BBSW Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

II. Each Covered Bondholder shall be deemed to acknowledge, accept and agree to be bound by, and consents to, the determination of, substitution for and any adjustments made to the BBSW Rate as described in this Condition 4.2(g)(i) and in Condition 4.2(g)(ii) below (in all cases without the need for any Covered Bondholder consent). Any determination, decision or election (including a decision to take or refrain from taking any action or as to the occurrence or non-occurrence of any event or circumstance), and any substitution for and adjustments made to, the BBSW Rate in accordance with this Condition 4.2(g)(i) and Condition 4.2(g)(ii), will, in the absence of manifest or proven error, be conclusive and binding on the Issuer, all Covered Bondholders and Couponholders and each Agent and, notwithstanding anything to the contrary in these Conditions or other documentation relating to the Covered Bonds, shall become effective without the consent of any person.

III. If the Calculation Agent is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Rate of Interest in accordance with this Condition 4.2(g)(i), such rate, adjustment, quantum, formula, methodology or other variable will be determined by the Issuer (acting in good faith and in a commercially reasonable manner) or, an alternate financial institution (acting in good faith and in a commercially reasonable manner) appointed by the Issuer (in its sole discretion) to so determine.

IV. All rates determined pursuant to this Condition 4.2(g)(i) shall be expressed as a percentage rate per annum and the resulting percentage will be rounded if necessary to the fourth decimal place (i.e., to the nearest one ten-thousandth of a percentage point) with 0.00005 being rounded upwards.

(ii) *BBSW Rate Fallbacks*

If:

(I) a Temporary Disruption Trigger has occurred; or

(II) a Permanent Discontinuation Trigger has occurred,

then the BBSW Rate for an Interest Period, whilst such Temporary Disruption Trigger is continuing or after a Permanent Discontinuation Trigger has occurred, means (in the following order of application and precedence):

(a) where a Temporary Disruption Trigger has occurred with respect to the original BBSW Rate, the BBSW Rate for such Interest Period will be equal to, in the following order of precedence:

(x) first, the Administrator Recommended Rate;

(y) then, the Supervisor Recommended Rate; and

(z) lastly, the Final Fallback Rate;

(b) where a determination of the AONIA Rate is required for the purposes of sub-paragraph (a) above, if a Temporary Disruption Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required will be the last provided or published level of AONIA;

(c) where a determination of the RBA Recommended Rate is required for the purposes of sub-paragraph (a) or (b) above, if a Temporary Disruption Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required will be the last rate provided or published by the Administrator of the RBA Recommended Rate (or if no such rate has been so provided or published, the last provided or published level of AONIA);

(d) if a Permanent Discontinuation Trigger has occurred with respect to the original BBSW Rate, the BBSW Rate for any day on which the BBSW Rate is required to be determined on or after the Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

(x) first, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;

(y) then, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred and an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and

(z) lastly, if neither sub-paragraphs (x) nor paragraph (y) above apply, the Final Fallback Rate;

(e) where a determination of the AONIA Rate is required for the purposes of sub-paragraph (d)(x) above, if a Permanent Discontinuation Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required on

or after the AONIA Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

(x) first, if at the time of the AONIA Permanent Fallback Effective Date, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Rate; and

(y) lastly, if sub-paragraph (x) above does not apply, the Final Fallback Rate; and

(f) where a determination of the RBA Recommended Rate is required for the purposes of sub-paragraphs (c) or (d) above, respectively, if a Permanent Discontinuation Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required on or after that Permanent Fallback Effective Date will be the Final Fallback Rate.

When calculating an amount of interest in circumstances where a Fallback Rate other than the Final Fallback Rate applies, that interest will be calculated as if references to the BBSW Rate were references to that Fallback Rate. When calculating interest in circumstances where the Final Fallback Rate applies, the amount of interest will be calculated on the same basis as if the Applicable Benchmark Rate in effect immediately prior to the application of that Final Fallback Rate remained in effect but with necessary adjustments to substitute all references to that Applicable Benchmark Rate with corresponding references to the Final Fallback Rate (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(iii) *BBSW Rate Amendments*

I. If, at any time, a Permanent Discontinuation Trigger occurs with respect to the Applicable Benchmark Rate that applies to the Covered Bonds at that time (such event, a **BBSW Rate Event**), and the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, determines in its discretion that amendments to these Conditions and/or any Programme Document are necessary to give effect to the proper operation and application of the applicable Fallback Rate as contemplated by Condition 4.2(g)(ii) (such amendments, the **BBSW Rate Amendments**), then the Issuer shall, subject to the following paragraphs of this Condition 4.2(g)(iii) and subject to the Issuer having to give notice thereof to the Covered Bondholders in accordance with Condition 12, and to the Covered Bond Guarantor, the Bond Trustee and the Calculation Agent in accordance with this Condition 4.2(g)(iii), without any requirement for the consent or approval of the Covered Bondholders make the necessary modifications to these Conditions and/or Programme Documents to give effect to such BBSW Rate Amendments. At the written request of the Issuer, but subject to receipt by the Bond Trustee of the certificate referred to in Condition 4.2(g)(iii)(V), and subject as provided below, the Bond Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders and without liability to the Covered Bondholders or any other person, be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer in effecting any

BBSW Rate Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Bond Trust Deed or any other Programme Document) with effect from the date specified in such notice.

II. In connection with any such modifications in accordance with this Condition 4.2(g)(iii), if and for so long as the Covered Bonds are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

III. Notwithstanding any other provision of these Conditions or the Programme Documents, the Bond Trustee shall not be obliged to concur with the Issuer and the Covered Bond Guarantor, and/or (in the case of the Bond Trustee) direct the Security Trustee to concur with the Issuer and the Covered Bond Guarantor in respect of any BBSW Rate Amendments which, in the sole opinion of the Bond Trustee, would have the effect of (i) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Bond Trustee in the Bond Trust Deed and/or these Conditions.

IV. Any BBSW Rate Amendments determined under this Condition 4.2(g)(iii) shall be notified promptly (in any case, not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Covered Bond Guarantor, the Bond Trustee, the Calculation Agent and, in accordance with Condition 12, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of such BBSW Rate Amendments.

V. No later than notifying the Bond Trustee of the same in accordance with Condition 4.2(g)(iii)(IV), the Issuer shall deliver to the Bond Trustee a certificate (on which the Bond Trustee shall be entitled to rely without further enquiry or liability) signed by one Authorised Officer of the Issuer:

(a) confirming (i) that a BBSW Rate Event has occurred and (ii) the specific terms of any BBSW Rate Amendments as determined in accordance with the provisions of this Condition 4.2(g)(iii); and

(a) certifying that the BBSW Rate Amendments (in accordance with the provisions of this Condition 4.2(g)(iii)) are necessary to give effect to the proper operation and application of the applicable Fallback Rate as contemplated by Condition 4.2(g)(iii).

The BBSW Rate Amendments specified in such certificate will (in the absence of manifest error in the determination of the applicable Fallback Rate as contemplated by Condition 4.2(g)(ii) and the BBSW Rate Amendments giving effect to such Fallback Rate, and without prejudice to the Bond Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the Calculation Agent and the Covered Bondholders.

(iv) *Definitions*

For the purposes of this Condition 4.2(g),

Adjustment Spread means the adjustment spread as at the Adjustment Spread Fixing Date (which may be a positive or negative value or zero and determined pursuant to a formula or methodology) that is:

(a) determined as the median of the historical differences between the BBSW Rate and AONIA over a five calendar year period prior to the Adjustment Spread Fixing Date using practices based on those used for the determination of the Bloomberg Adjustment Spread as at 1 December 2022, provided that for so long as the Bloomberg Adjustment Spread is published and determined based on the five year median of the historical differences between the BBSW Rate and AONIA, that adjustment spread will be deemed to be acceptable for the purposes of this paragraph (a); or

(b) if no such median can be determined in accordance with paragraph (a), set using the method for calculating or determining such adjustment spread determined by the Calculation Agent (after consultation with the Issuer where practicable) to be appropriate;

Adjustment Spread Fixing Date means the first date on which a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate;

Administrator means**:**

(a) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417);

(b) in respect of AONIA, the Reserve Bank of Australia; and

(c) in respect of any other Applicable Benchmark Rate, the administrator for that rate or benchmark or, if there is no administrator, the provider of that rate or benchmark,

and, in each case, any successor administrator or, as applicable, any successor administrator or provider;

Administrator Recommended Rate means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Administrator of the BBSW Rate;

AONIA means the Australian dollar interbank overnight cash rate (known as AONIA);

AONIA Observation Period means the period from (and including) the date falling five Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date falling five Business Days prior to the end of such Interest Period (or the date falling five Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

AONIA Rate means, for an Interest Period and in respect of an Interest Determination Date, the rate determined by the Calculation Agent to be Compounded Daily AONIA for that Interest Period and Interest Determination Date plus the Adjustment Spread;

Applicable Benchmark Rate means the BBSW Rate or, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate, then the rate determined in accordance with Condition 4.2(g)(ii);

BBSW Rate means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the "AVG MID" on the 'Refinitiv Screen ASX29 Page' or the 'Bloomberg Screen BBSW Page' (or any designation which replaces that designation on the applicable page, or any replacement page) at the Publication Time on the first Business Day of that Interest Period;

Bloomberg Adjustment Spread means the term adjusted AONIA spread relating to the BBSW Rate provided by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time as the provider of term adjusted AONIA and the spread) (**BISL**) on the Fallback Rate (AONIA) Screen (or by other means), or provided to, and published by, authorised distributors where Fallback Rate (AONIA) Screen means the Bloomberg Screen corresponding to the Bloomberg ticker for the fallback for the BBSW Rate accessed via the Bloomberg Screen <FBAK> <GO> Page (or, if applicable, accessed via the Bloomberg Screen <HP> <GO>) or any other published source designated by BISL;

Compounded Daily AONIA means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the AONIA Observation Period corresponding to such Interest Period (with AONIA as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the fifth Business Day prior to the last day of each Interest Period, as follows:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{AONIA_{i-5\ SBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

$\boldsymbol{AONIA_{i-5SBD}}$ means the per annum rate expressed as a decimal which is the level of AONIA provided by the Administrator and published as of the Publication Time for the Business Day falling five Business Days prior to such Business Day "i";

$\boldsymbol{d}$ is the number of calendar days in the relevant Interest Period;

$\boldsymbol{d_0}$ is the number of Business Days in the relevant Interest Period;

$\boldsymbol{i}$ is a series of whole numbers from 1 to d_0, each representing the relevant Business Day in chronological order from (and including) the first Business Day in the relevant Interest Period to (and including) the last Business Day in such Interest Period;

$\boldsymbol{n_i}$ for any Business Day "i", means the number of calendar days from (and including) such Business Day "i" up to (but excluding) the following Business Day; and

$\boldsymbol{SBD}$ means any day on which commercial banks are open for general business in Sydney.

If, for any reason, Compounded Daily AONIA needs to be determined for a period other than an Interest Period, Compounded Daily AONIA is to be determined as if that period were an Interest Period starting on (and including) the first day of that period and ending on (but excluding) the last day of that period;

Fallback Rate means, where a Permanent Discontinuation Trigger for an Applicable Benchmark Rate has occurred, the rate that applies to replace that Applicable Benchmark Rate in accordance with Condition 4.2(g)(ii);

Final Fallback Rate means, in respect of an Applicable Benchmark Rate, the rate:

(a) determined by the Calculation Agent as a commercially reasonable alternative for the Applicable Benchmark Rate taking into account all available information that, in good faith, it considers relevant, provided that any rate (inclusive of any spreads or adjustments) implemented by central counterparties and / or futures exchanges with representative trade volumes in derivatives or futures referencing the Applicable Benchmark Rate will be deemed to be acceptable for the purposes of this paragraph (a), together with (without double counting) such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for Applicable Benchmark Rate-linked Floating Rate Covered Bonds at such time (together with such other adjustments to the Business Day Convention, interest determination dates and related provisions and definitions, in each case that are consistent with accepted market practice for the use of such successor rate or alternative rate for Applicable Benchmark Rate-linked Floating Rate Covered Bonds at such time), or, if no such industry standard adjustment spread is recognised or acknowledged, an adjustment spread calculated or determined by the Calculation Agent (in consultation with the Issuer) to be appropriate; *provided that*

(b) if and for so long as no such successor rate or alternative rate can be determined in accordance with paragraph (a), the Final Fallback Rate will be the last provided or published level of that Applicable Benchmark Rate;

Interest Determination Date means, in respect of an Interest Period:

(a) where the BBSW Rate applies or the Final Fallback Rate applies under sub-paragraph (d)(z) of Condition 4.2(g)(ii) of the definition of Permanent Discontinuation Fallback, the first day of that Interest Period; and

(b) otherwise, the fifth Business Day prior to the last day of that Interest Period,

subject in each case to adjustment in accordance with the applicable Business Day Convention;

Non-Representative means, in respect of an Applicable Benchmark Rate, that the Supervisor of that Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate:

(a) has determined that such Applicable Benchmark Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark Rate is intended to measure and that representativeness will not be restored; and

(b) is aware that such determination will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such Supervisor or Administrator, as the case may be, (howsoever described) in contracts;

Permanent Discontinuation Trigger means, in respect of an Applicable Benchmark Rate:

(a) a public statement or publication of information by or on behalf of the Administrator of the Applicable Benchmark Rate announcing that it has ceased or that it will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

(b) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate, the Reserve Bank of Australia (or any successor central bank for Australian dollars), an insolvency official or resolution authority with jurisdiction over the Administrator of the Applicable Benchmark Rate or a court or an entity with similar insolvency or resolution authority over the Administrator of the Applicable Benchmark Rate which states that the Administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate and a public statement or publication of information other than by the Supervisor, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

(c) a public statement by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, as a consequence of which the Applicable Benchmark Rate will be prohibited from being used either generally, or in respect of the Covered Bonds, or that its use will be subject to restrictions or adverse consequences to the Issuer or a Covered Bondholder or Couponholder;

(d) as a consequence of a change in law or directive arising after the Issue Date of the first Tranche of Covered Bonds of a Series, it has become unlawful for the Calculation Agent, the Issuer or any other party responsible for calculations of interest under the Conditions to calculate any payments due to be made to any Covered Bondholder using the Applicable Benchmark Rate;

(e) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, stating that the Applicable Benchmark Rate is Non-Representative; or

(f) the Applicable Benchmark Rate has otherwise ceased to exist or be administered on a permanent or indefinite basis;

Permanent Fallback Effective Date means, in respect of a Permanent Discontinuation Trigger for an Applicable Benchmark Rate:

(a) in the case of paragraphs (a) and (b) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided and is no longer published or provided;

(b) in the case of paragraphs (c) and (d) of the definition of "Permanent Discontinuation Trigger", the date from which use of the Applicable Benchmark Rate is prohibited or becomes subject to restrictions or adverse consequences or the calculation becomes unlawful (as applicable);

(c) in the case of paragraph (e) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided but is Non-Representative by reference to the most recent statement or publication contemplated in that paragraph and even if such Applicable Benchmark Rate continues to be published or provided on such date; or

(d) in the case of paragraph (f) of the definition of "Permanent Discontinuation Trigger", the date that event occurs;

Publication Time means:

(a) in respect of the BBSW Rate, 12.00noon (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for the BBSW Rate in its benchmark methodology; and

(b) in respect of AONIA, 4.00pm (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for AONIA in its benchmark methodology;

RBA Recommended Fallback Rate has the same meaning given to AONIA Rate but with necessary adjustments to substitute all references to AONIA with corresponding references to the RBA Recommended Rate;

RBA Recommended Rate means, in respect of any relevant day (including any day "*i*"), the rate (inclusive of any spreads or adjustments) recommended as the replacement for AONIA by the Reserve Bank of Australia (which rate may be produced by the Reserve Bank of Australia or another administrator) and as provided by the Administrator of that rate or, if that rate is not provided by the Administrator thereof, published by an authorised distributor in respect of that day;

Supervisor means, in respect of an Applicable Benchmark Rate, the supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate, or any committee officially endorsed or convened by any such supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate;

Supervisor Recommended Rate means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Supervisor of the BBSW Rate; and

Temporary Disruption Trigger means, in respect of any Applicable Benchmark Rate which is required for any determination:

(a) the Applicable Benchmark Rate has not been published by the applicable Administrator or an authorised distributor and is not otherwise provided by the Administrator, in respect of, on, for or by the time and date on which that Applicable Benchmark Rate is required; or

(b) the Applicable Benchmark Rate is published or provided but the Calculation Agent determines that there is an obvious or proven error in that rate.

(h) Screen Rate Determination for Floating Rate Covered Bonds referencing €STR

(i) Where "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for an Interest Period (as defined below) will, be calculated in accordance with Conditions 4.2(h)(i)(A), 4.2(h)(i)(B) and 4.2(h)(i)(C), subject as provided below, as applicable:

(A) Where the Calculation Method is specified in the applicable Final Terms as being "€STR Compounded Daily", the Rate of Interest for an Interest Period will be the Compounded Daily €STR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the relevant Principal Paying Agent or the Calculation Agent, as applicable on the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

(B) Where the Calculation Method is specified in the applicable Final Terms as being "€STR Index Compounded Daily", the Rate of Interest for an Interest Period will be the Compounded Daily €STR Index plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the relevant Principal Paying Agent or the Calculation Agent, as applicable on the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

(C) Where the Calculation Method is specified in the applicable Final Terms as being "€STR Weighted Average", the Rate of Interest for an Interest Period will be the Weighted Average €STR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the relevant Principal Paying Agent or the Calculation Agent, as applicable on the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

In this Condition 4.2(h):

Compounded Daily €STR means with respect to an Interest Period, the rate of return of a daily compound interest investment in euro (with the daily euro short-term rate (**€STR**) as reference rate for the calculation of interest) and will be calculated as follows:

(1) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms in accordance with the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{€STR_{i-pTBD}\ \times\ n_i}{360}\right)-1\right]\times\frac{360}{d}$$

(2) if "Shift" is specified as the Observation Method in the applicable Final Terms, in accordance with the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{€STR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where, in each case:

d is the number of calendar days in (A) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period, or (B) if "Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

d_0 means (A) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms, in respect of an Interest Period, the number of T2 Business Days in the relevant Interest Period, or (B) if "Shift" is specified as the Observation Method in the applicable Final Terms, in respect of an Observation Period, the number of T2 Business Days in the relevant Observation Period;

the **€STR reference rate**, means, in respect of any T2 Business Day, a reference rate equal to the daily euro short-term rate as provided by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) on the website of the European Central Bank (or any successor administrator of such rate) or any successor source, in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the administrator of such rate on the T2 Business Day immediately following such T2 Business Day;

€STR$_i$ means, in respect of any T2 Business Day$_i$:

(1) if "Lag" is specified as the Observation Method in the applicable Final Terms, the €STR reference rate in respect of p^{TBD} in respect of such T2 Business Day$_i$; or

(2) if "Lock-out" is specified as the Observation Method in the applicable Final Terms:

(x) in respect of any T2 Business Day$_i$ that is a Reference Day, the €STR reference rate in respect of the T2 Business Day immediately preceding such Reference Day; otherwise

(y) the €STR reference rate in respect of the T2 Business Day immediately preceding the Interest Determination Date for the relevant Interest Period;

(3) if "Shift" is specified as the Observation Method in the applicable Final Terms, the €STR reference rate for such T2 Business Day$_i$;

€STRi-p^{TBD} means:

(1) if "Lag" is specified as the Observation Method in the applicable Final Terms, in respect of a T2 Business Day$_i$, €STR$_i$ in respect of the T2 Business Day falling p T2 Business Days prior to such T2 Business Day$_i$ (**p^{LBD}**); or

(2) if "Lock-out" is specified as the Observation Method in the applicable Final Terms, in respect of a T2 Business$_i$, €STR$_i$ in respect of such T2 Business$_i$;

i is a series of whole numbers from one to d_0, each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day (I) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms, in the relevant Interest Period or (II) if "Shift" is specified as the Observation Method in the applicable Final Terms, in the relevant Observation Period;

Interest Period End Date shall have the meaning specified in the applicable Final Terms;

Lock-out Period means, in respect of an Interest Period, the period from and including the day following the Interest Determination Date to, but excluding, the Interest Period End Date falling at the end of such Interest Period;

n$_i$, for any T2 Business Day$_i$, means the number of calendar days from and including such T2 Business Day$_i$ up to but excluding the following T2 Business Day;

Observation Period means the period from and including the date falling "p" T2 Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling "p" T2 Business Days prior to the Interest Period End Date for such Interest Period (or the date falling "p" T2 Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

p means, in respect of an Interest Period (A) where "Lag" or "Shift" is specified as the Observation Method in the applicable Final Terms, the number of T2 Business Days as specified in the applicable Final Terms and (B) where "Lock-out" is specified as the Observation Method in the applicable Final Terms, zero;

Reference Day means each T2 Business Day in the relevant Interest Period that is not a T2 Business Day falling in the Lock-out Period;

T2 means the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system; and

T2 Business Day or **TBD** means any day on which T2 is open;

Compounded Daily €STR Index means with respect to an Interest Period, the rate of return of a daily compound interest investment in euro (with the euro short-term rate (**€STR**) as a reference rate for the calculation of interest) by reference to the screen

rate or index for compounded daily €STR rates administered by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) that is published or displayed on the website of the European Central Bank (or any successor administrator of such rate) or any successor source from time to time on the relevant Interest Determination Date, as further specified in the applicable Final Terms (the **€STR Compounded Index**) and will be calculated as follows:

$$\left(\frac{€STR\ Compounded\ Index_{End}}{€STR\ Compounded\ Index_{Start}} - 1\right) \times \frac{360}{d}$$

where, in each case:

d is the number of calendar days from (and including) the day in relation to which €STR Compounded $Index_{Start}$ is determined to (but excluding) the day in relation to which €STR Compounded $Index_{End}$ is determined;

p means the number of T2 Business Days as specified in the applicable Final Terms;

€STR Compounded $Index_{Start}$ means, with respect to an Interest Period, the €STR Compounded Index determined in relation to the day falling "p" T2 Business Days prior to the first day of such Interest Period;

€STR Compounded $Index_{End}$ means with respect to an Interest Period, the €STR Compounded Index determined in relation to the day falling "p" T2 Business Days prior to the Interest Period End Date for such Interest Period (or the date falling "p" T2 Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable); and

Weighted Average €STR means:

(1) where "Lag" is specified as the Observation Method in the applicable Final Terms, the sum of the €STR reference rate in respect of each calendar day during the relevant Observation Period divided by the number of calendar days during such Observation Period. For these purposes, the €STR reference rate in respect of any calendar day which is not a T2 Business Day shall be deemed to be the €STR reference rate in respect of the T2 Business immediately preceding such calendar day; or

(2) where "Lock-out" is specified as the Observation Method in the applicable Final Terms, the sum of the €STR reference rate in respect of each calendar day during the relevant Interest Period divided by the number of calendar days in the relevant Interest Period, provided that, for any calendar day of such Interest Period falling in the Lock-out Period for the relevant Interest Period, the €STR reference rate for such calendar day will be deemed to be the €STR reference rate in respect of the T2 Business Day immediately preceding the first day of such Lock-out Period. For these purposes, the €STR reference rate in respect of any calendar day which is not a T2 Business Day shall, subject to the preceding proviso, be deemed to be the €STR reference rate in respect of the T2 Business Day immediately preceding such calendar day.

(ii) Where the Rate of Interest for each Interest Period is calculated in accordance with Condition 4.2(h)(i)(B), if the relevant €STR Compounded Index is not published or displayed by the European Central Bank (or any successor administrator of such rate) reference rate or other information service by 5pm (Frankfurt time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in

accordance with the then-prevailing operational procedures of the European Central Bank (or any successor administrator of €STR) on the relevant Interest Determination Date, the Rate of Interest shall be calculated for the Interest Period for which the €STR Compounded Index is not available in accordance with Condition 4.2(h)(i)(A) and for these purposes the "Observation Method" shall be deemed to be "Shift".

(iii) Where Screen Rate Determination "Applicable—€STR" in the applicable Final Terms, if, in respect of any T2 Business Day, €STR is not available, such €STR reference rate shall be the €STR reference rate for the first preceding T2 Business Day on which the €STR reference rate was published by the European Central Bank, as the administrator of the €STR reference rate (or any successor administrator of the €STR reference rate) on the website of the European Central Bank (or of any successor administrator of such rate), and "r" shall be interpreted accordingly.

(iv) If the relevant Series of Covered Bonds become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Covered Bonds became due and payable and the Rate of Interest on such Covered Bonds shall, for so long as any such Covered Bonds remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(i) Determination of Rate of Interest and Calculation of Interest Amount

The relevant Principal Paying Agent or, in the case of Floating Rate Covered Bonds which are A$ Registered Covered Bonds, the Calculation Agent, or such other person specified in the applicable Final Terms will, as soon as practicable after each time at which the Rate of Interest is set to be determined, determine the Rate of Interest and/or calculate the amount of interest payable in respect of each Calculation Amount (each, an **Interest Amount**) for the relevant Interest Period (or other Interest Accrual Period) as soon as practicable after calculating the same.

The Interest Amount payable on the Floating Rate Covered Bonds for the relevant Interest Period will be calculated by applying the Rate of Interest to:

(i) in the case of Floating Rate Covered Bonds which are Global Covered Bonds, the aggregate Calculation Amount of the Covered Bonds represented by such Global Covered Bonds; or

(ii) in the case of Floating Rate Covered Bonds which are Definitive Covered Bonds, the Calculation Amount; or

(iii) in the case of Floating Rate Covered Bonds which are A$ Registered Covered Bonds, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Covered Bond which is a Definitive Covered Bond is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Covered Bond will be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, or such outstanding nominal amount of the Covered Bonds, without any further rounding.

The determination of the Rate of Interest and calculation of each Interest Amount by the relevant Principal Paying Agent or the Calculation Agent, as applicable, will (in the absence of manifest error) be final and binding upon all parties.

(j) *Maximum Rate of Interest and/or Minimum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the preceding provisions of this Condition 4.2 is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period will be such Minimum Rate of Interest.

If the Applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions preceding provisions of this Condition 4.2 is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period will be such Maximum Rate of Interest.

(k) *Notification of Rate of Interest and Interest Amount*

(i) Except where the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily SONIA Formula", "SONIA Index Determination", "Average SONIA", "SOFR Arithmetic Mean", "SOFR Delay Compound", "SOFR Index Compound", "SOFR Lockout Compound", "SOFR Lookback Compound" or "SOFR Shift Compound", the relevant Principal Paying Agent or, in the case of Floating Rate Covered Bonds which are A$ Registered Covered Bonds, the Calculation Agent, as applicable, will cause the Rate of Interest and the Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and the Covered Bond Guarantor and, in the case of Floating Rate Covered Bonds which are listed on a stock exchange, that stock exchange as soon as possible but in any event not later than the second Business Day after their determination and will cause notice of such information to be given to the holders of the Covered Bonds of this Series in accordance with Condition 12 not later than the fourth Business Day after their determination. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notification as aforesaid in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Covered Bonds affected thereby are for the time being listed.

(ii) Where the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily SONIA Formula", "SONIA Index Determination", "Average SONIA", "SOFR Arithmetic Mean", "SOFR Delay Compound", "SOFR Index Compound", "SOFR Lockout Compound", "SOFR Lookback Compound" or "SOFR Shift Compound", the relevant Principal Paying Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each SONIA Interest Accrual Period or SOFR Interest Accrual Period (as applicable) and the relevant Interest Payment Date to be notified to (i) the Issuer and the Bond Trustee, and (ii) to any stock exchange on which the relevant Floating Rate Covered Bonds are for the time being listed and, in each case, to be published in accordance with Condition 12 as soon as possible after their determination but in no event later than the second London Banking Day (as defined in Condition 4.2(e)(i) above) thereafter. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the relevant SONIA Interest Accrual Period or SOFR Interest Accrual Period (as applicable). Any such amendment or alternative arrangements will promptly be notified by the relevant Principal Paying Agent or the Calculation Agent, as applicable, to the Issuer, the Bond Trustee and to any stock exchange on which the relevant Floating Rate Covered Bonds are for the time being listed and to the Covered Bondholders in accordance with Condition 12.

(l) *Notifications, etc. to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2 by

the relevant Principal Paying Agent or the Calculation Agent, as applicable, or other Paying Agents (if any) will (in the absence of default, bad faith or manifest error by them or any of their directors, officers, employees or agents) be binding on the Issuer, the Covered Bond Guarantor, the relevant Principal Paying Agent or the Calculation Agent, as applicable, the Paying Agents and all holders of the Covered Bonds of this Series and Coupons relating thereto and (in the absence of any default, bad faith or manifest error as referred to above) no liability to the Issuer or the holders of the Covered Bonds of this Series and Coupons relating thereto will attach to the relevant Principal Paying Agent or the Calculation Agent, as applicable, in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Condition 4.2.

In this Condition 4.2:

Business Day has the meaning given to it in Condition 4.4.

Interest Determination Date shall mean the date specified as such in the applicable Final Terms or if none is so specified:

(a) if the Reference Rate is EURIBOR, the second day on which T2 is open prior the start of each Interest Period;

(b) if the Reference Rate is the New Zealand Bank Bill reference rate interbank offered rate (**BKBM**), the first day of each Interest Period;

(c) if the Reference Rate is the Hong Kong interbank offered rate (**HIBOR**), the first day of each Interest Period;

(d) if the Reference Rate is the Toronto interbank offered rate (**CDOR**), the first day of each Interest Period; and

(e) if the Reference Rate is the Singapore interbank offered rate (**SIBOR**), the second Singapore business day prior to the start of each Interest Period.

Principal Financial Centre shall mean in relation to a Specified Currency or any other currency, the principal financial centre of the country of that Specified Currency or other currency, which in the case of euro, is the Euro-Zone and which, if the Specified Currency is Australian Dollars, will be Sydney.

Reference Banks shall mean the institutions specified as such in the applicable Final Terms or, if none, four major banks selected by the Principal Paying Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Reference Rate specified in the applicable Final Terms which, if the relevant Reference Rate is EURIBOR, will be the Euro-Zone.

Reference Rate shall mean (a) EURIBOR, (b) BKBM, (c) HIBOR, (d) CDOR or (e) SIBOR, in each case for the relevant period, each as set out in the applicable Final Terms.

Relevant Financial Centre shall mean (a) Brussels in the case of a determination of EURIBOR, (b) Auckland and Wellington, in the case of a determination of BKBM, (c) Hong Kong, in the case of a determination of HIBOR, (d) Toronto, in the case of a determination of CDOR and (e) Singapore, in the case of a determination of SIBOR, each as specified in the applicable Final Terms.

Relevant Screen Page has the meaning set out in the applicable Final Terms.

Relevant Time shall mean (a) in the case of EURIBOR, 11.00 a.m., (b) in the case of BKBM, 10.45 a.m., (c) in the case of HIBOR, 11.00 a.m., (d) in the case of CDOR, 10.15 a.m., and (e) in the case of SIBOR, 11.00 a.m., each as specified in the applicable Final Terms.

4.3 Interest on Fixed/Floating Rate Covered Bonds

If Fixed/Floating Rate Interest Basis is specified as being applicable in the applicable Final Terms, each Covered Bond bears interest from (and including) the Interest Commencement Date (which unless otherwise specified in the applicable Final Terms shall be the Issue Date) at the applicable rates of interest determined in accordance with this Condition 4.3, and such interest will be payable in arrear on the relevant Interest Payment Date (as defined below).

If Fixed/Floating Rate Interest Basis is specified as being applicable in the applicable Final Terms, the basis upon which interest accrues (and on which the rate of interest shall be determined) will (unless the Covered Bonds are redeemed or purchased and cancelled prior to the Interest Basis Conversion Date) change from one interest basis (the **First Interest Basis**) to another (the **Second Interest Basis**).

The First Interest Basis shall apply to any Interest Period in the First Interest Basis Period and the Second Interest Basis shall apply to any Interest Period in the Second Interest Basis Period.

The rate of interest for any Interest Period, and the amount of interest payable on each Interest Payment Date in respect of such Interest Period, shall be determined by the relevant Principal Paying Agent or (if specified in the applicable Final Terms) the Calculation Agent, as applicable, in accordance with (i) if the relevant Interest Basis is specified in the applicable Final Terms to be Fixed Rate, Condition 4.1 or (ii) if the relevant Interest Basis is specified in the applicable Final Terms to be Floating Rate, Condition 4.2. If an Interest Basis for an Interest Basis Period is specified in the applicable Final Terms as being Floating Rate, the notification requirements of Condition 4.2(k) shall apply in respect of each Interest Period falling within such Interest Basis Period.

If the Second Interest Basis is specified to be Floating Rate in the applicable Final Terms and the Interest Basis Conversion Date is not a Business Day for the purposes of determining the Rate of Interest in accordance with Condition 4.2(f), the Interest Determination Date for the Interest Period immediately following the Interest Basis Conversion Date shall be the Business Day immediately preceding the Interest Basis Conversion Date.

In this Condition 4.3:

First Interest Basis Period means the period from (and including) the Interest Commencement Date to (but excluding) the Interest Basis Conversion Date.

Interest Basis means the First Interest Basis or the Second Interest Basis, as applicable.

Interest Basis Conversion Date shall have the meaning specified in the applicable Final Terms.

Interest Basis Period means the First Interest Basis Period or the Second Interest Basis Period, as applicable.

Interest Payment Date(s) means, in relation to each Interest Basis:

(a) the Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(b) if no express Interest Payment Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date that falls within the First Interest Basis Period, after the Interest Commencement Date.

Second Interest Basis Period means the period from (and including) the Interest Basis Conversion Date to (but excluding) the Maturity Date.

4.4 Day Count Fraction and Business Day Convention

(a) Day Count Fraction

Day Count Fraction means, unless otherwise specified in the applicable Final Terms:

(i) if "Actual/365 or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of the Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iii) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(iv) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D1 is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D1 is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D1 is the first calendar day, expressed as a number, of the Interest Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (A) that day is the last day of February but not the Final Maturity Date or (B) such number would be 31 and D2 will be 30.

(vii) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(A) in the case of Covered Bonds where the number of days in relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "Accrual Period") is equal to or shorter than the Determination Period (defined below) during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or

(B) in the case of Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of

Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year;

Determination Period means the period from (and including) a Determination Date (as specified in the applicable Final Terms) to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

(viii) if "Australian Bond Basis" is specified in the applicable Final Terms, one divided by the number of Interest Payment Dates in a year in which the Interest Period falls (a year being each 12 month period on and from the Issue Date).

(b) Business Day Convention

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then if the Business Day Convention specified is:

(i) in the case where a Specified Period is specified in accordance with Condition 4.2(a)(ii) above, the **Floating Rate Convention**, such Interest Payment Date (A) in the case of (x) above, must be the last day that is a Business Day in the relevant month and the provisions of (b) below will apply mutatis mutandis or (B) in the case of (y) above, must be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date (or other date) must be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date will be the last Business Day of the last month which falls in the Interest Period after the preceding applicable Interest Payment Date occurred; or

(ii) the **Following Business Day Convention**, such Interest Payment Date will be postponed to the next day which is a Business Day; or

(iii) the **Modified Following Business Day Convention**, such Interest Payment Date will be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date will be brought forward to the immediately preceding Business Day; or

(iv) the **Preceding Business Day Convention**, such Interest Payment Date will be brought forward to the immediately preceding Business Day.

In this Condition 4.4:

Business Day means (unless otherwise stated in the applicable Final Terms):

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):

(i) in the case of Definitive Covered Bonds, the relevant place of presentation;

(ii) in the case of Regulation S Covered Bonds, London;

(iii) in the case of Rule 144A Covered Bonds, New York City;

(iv) in the case of A$ Registered Covered Bonds, Sydney; and

(v) if any Relevant Financial Centre(s) is specified in the applicable Final Terms, in such Relevant Financial Centre(s);

(b) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the places specified in paragraph (a)) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system (**T2**) is open; and

(c) in the case of any payment in respect of a Registered Global Covered Bond denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Covered Bond) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

4.5 Zero Coupon Covered Bonds

If the amount due and payable in respect of a Zero Coupon Covered Bond on the redemption date is not paid when due, the Rate of Interest for any such overdue principal shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield as specified in the applicable Final Terms.

5. REDEMPTION AND PURCHASE

5.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, each Covered Bond of this Series will be redeemed at its Final Redemption Amount in the relevant Specified Currency on the Final Maturity Date (as specified, or determined in the manner specified, in the applicable Final Terms).

Without prejudice to Condition 9, if an Extended Due for Payment Date is specified as applicable in the applicable Final Terms for a Series of Covered Bonds and the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the applicable Final Terms (or after expiry of the grace period set out in Condition 9.1(a)) and, following the service of a Notice to Pay on the Covered Bond Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Covered Bond Guarantor has insufficient moneys available under the Guarantee Priority of Payments to pay the Guaranteed Amounts corresponding to the Final Redemption Amount in full in respect of the relevant Series of Covered Bonds on the date falling on the earlier of (a) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9.2(a)) under the terms of the Covered Bond Guarantee and (b) the Extension Determination Date, then (subject as provided below) payment of the unpaid amount by the Covered Bond Guarantor under the Covered Bond Guarantee will be deferred until the Extended Due for Payment Date, provided that the Covered Bond Guarantor may pay any amount representing the Final Redemption Amount on the relevant Final Maturity Date and any amount representing the Final Redemption Amount due and remaining unpaid on the earlier of (a) and (b) above may also be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter up to (and including) the Extended Due for Payment Date. The Issuer must confirm to the Bond Trustee, the relevant Principal Paying Agent or, in the case of A$ Registered Covered Bonds, the A$ Registrar as soon as reasonably practicable and in any event at least five Business Days prior to the Final Maturity Date of a Series of Covered Bonds whether (x) payment will be made in full of the Final Redemption Amount in respect of a Series of Covered Bonds on that Final Maturity Date or (y) payment will not be made in full of the Final Redemption Amount in respect of a Series of Covered Bonds on that Final Maturity Date. Any failure by the Issuer to notify the Bond Trustee, the relevant Principal Paying Agent or the A$ Registrar (as the case may be) will not affect the validity or effectiveness of the extension.

The Covered Bond Guarantor must notify the relevant Covered Bondholders (in accordance with Condition 12), the Rating Agencies, the Bond Trustee, the Security Trustee, the relevant Principal Paying

Agent and the relevant Registrar as soon as reasonably practicable and in any event at least four Business Days prior to the dates specified in (a) and (b) of the preceding paragraph of any inability of the Covered Bond Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of a Series of Covered Bonds pursuant to the Covered Bond Guarantee. Any failure by the Covered Bond Guarantor to notify such parties will not affect the validity or effectiveness of the extension nor give rise to any rights in any such party. In such circumstances, the Covered Bond Guarantor must on the earlier of (a) the date falling two Business Days after the service of a Notice to Pay on the Covered Bond Guarantor or if later the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Conditions 9.2(a)) and (b) the Extension Determination Date, under the Covered Bond Guarantee, apply the moneys (if any) available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) pro rata in part payment of an amount equal to the Final Redemption Amount of each Covered Bond of the relevant Series of Covered Bonds and must pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Covered Bond on such date. The obligation of the Covered Bond Guarantor to pay any amounts in respect of the balance of the Final Redemption Amount not so paid will be deferred as described above. Such failure to pay by the Covered Bond Guarantor will not constitute a Covered Bond Guarantor Event of Default.

Any discharge of the obligations of the Issuer as the result of the payment of Excess Proceeds to the Bond Trustee must be disregarded for the purposes of determining the amounts to be paid by the Covered Bond Guarantor under the Covered Bond Guarantee in connection with this Condition 5.1.

For the purposes of these Conditions:

Extended Due for Payment Date means, in relation to any Series of Covered Bonds, the date, if any, specified as such in the applicable Final Terms to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Final Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Extension Determination Date.

Extension Determination Date means, in respect of a Series of Covered Bonds to which an Extended Due for Payment Date applies, the date falling two Business Days after the expiry of fourteen days starting on (and including) the Final Maturity Date of such Series of Covered Bonds.

Guarantee Priority of Payments means the guarantee priority of payments relating to the allocation and distribution of the Available Income Amount and Available Principal Amount following service of a Notice to Pay on the Covered Bond Guarantor, but prior to service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, as set out in clause 15.4 of the Establishment Deed.

Rating Agency means any one of Moody's Ratings and Fitch Australia Pty Ltd (together, the **Rating Agencies**) or their successors, to the extent they provide ratings in respect of the Covered Bonds.

5.2 Redemption for Tax Reasons

The Covered Bonds of this Series may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Covered Bonds other than Floating Rate Covered Bonds) or on any Interest Payment Date (in the case of Floating Rate Covered Bonds), on giving not less than 31 nor more than 60 days' notice in accordance with Condition 12 (which notice is irrevocable), at the Early Redemption Amount provided in, or calculated in accordance with, Condition 5.7 (as applicable) below, together with (if provided in such paragraphs) interest accrued up to, but excluding, the date fixed for redemption, if on the occasion of the next payment due under the Covered Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of the Tax Jurisdiction, or any change in the application or official interpretation of such laws or regulations (including the manner of exercising any official discretion thereunder), which change or amendment becomes effective on or after the Issue Date (or, in the case of a second or subsequent Tranche of Covered Bonds of this Series, the Issue Date for the original Tranche) provided that no such notice of redemption may be given in respect of the Covered Bonds of this Series earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts and, for the purpose only of determining the earliest date on which such notice may be given, it will be deemed that a payment, in respect of which the Issuer would be obliged to pay such additional

amounts, is due in respect of the Covered Bonds of this Series on the day on which any such change or amendment becomes effective.

5.3 Redemption at the Option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Final Terms, the Issuer may, on any Optional Redemption Date specified in the applicable Final Terms, at its option, on giving not less than 31 nor more than 60 days' notice or such other notice period specified in the applicable Final Terms to the Bond Trustee, the Registrar and Covered Bondholders of a relevant Series (which notice is irrevocable) in accordance with Condition 12, redeem all or from time to time some only of the Covered Bonds then outstanding on the relevant Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if applicable, with (in the case of Fixed Rate Covered Bonds) interest accrued to, but excluding, the relevant Optional Redemption Date. In the event of a redemption of some only of such Covered Bonds, such redemption must be for an amount being equal to the Minimum Redemption Amount or a Higher Redemption Amount (if any) specified in the applicable Final Terms. In the case of a partial redemption of Covered Bonds, the Covered Bonds to be redeemed (the **Redeemed Covered Bonds**) will be selected:

(i) in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, individually by lot (without involving any part only of a Bearer Covered Bond);

(ii) in the case of Redeemed Covered Bonds represented by a Global Covered Bond, in accordance with the rules of DTC, Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of DTC, Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) (or any alternative or additional clearing system as may be specified in the applicable Final Terms); and

(iii) in the case of Redeemed Covered Bonds represented by A$ Registered Covered Bonds, individually by lot,

in each case, not less than 40 days prior to the date fixed for redemption. Each notice of redemption will specify the date fixed for redemption and, in the case of a partial redemption, the aggregate nominal amount, and, where some or all of the Redeemed Covered Bonds are represented by Definitive Covered Bonds, the serial numbers of the Redeemed Covered Bonds and, in each case, the aggregate nominal amount of the Covered Bonds of this Series which will be outstanding after the partial redemption. In addition, in the case of a partial redemption of a Series of Covered Bonds which includes Registered Covered Bonds, the Issuer will publish an additional notice of redemption not less than 80 nor more than 95 days before the date fixed for redemption which notice will specify the period during which exchanges or transfers of Covered Bonds may not be made as provided for in Condition 2.

5.4 Redemption at the Option of the Covered Bondholders (Investor Put)

If Investor Put is specified in the applicable Final Terms, upon any Covered Bondholder giving to the Issuer in accordance with Condition 12 not less than 31 nor more than 60 days' notice (the **notice period**) as specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice redeem in whole (but not in part) the Covered Bonds the subject of the notice on the Optional Redemption Date and at the Optional Redemption Amount indicated in the applicable Final Terms together with (in the case of Fixed Rate Covered Bonds) interest accrued up to, but excluding, the Optional Redemption Date.

If this Covered Bond is a Definitive Covered Bond, to exercise the right to require redemption of this Covered Bond the holder of this Covered Bond must, deliver, at the specified office of any Paying Agent (in the case of Covered Bonds in bearer form) or the relevant Registrar (in the case of Covered Bonds in registered form) on any business day (as defined in Condition 6.8) falling within the notice period a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or from the relevant Registrar (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 5.4. If this Covered Bond is a Definitive Covered Bond, the Put Notice must be accompanied by this Covered Bond or evidence satisfactory to the Paying Agent concerned that this Covered Bond will, following delivery of the Put Notice, be held to its order or under its control.

If this Covered Bond is represented by a Global Covered Bond held through DTC, Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of the Covered Bond the holder of the Covered Bond must, within the notice period, give notice to the relevant Principal Paying Agent of such exercise in accordance with the standard procedures of DTC, Euroclear or Clearstream, Luxembourg (which may include notice being given on his instruction by DTC, Euroclear or Clearstream, Luxembourg, or any common depositary or common safekeeper (as applicable) for them to the relevant Principal Paying Agent by electronic means) in a form acceptable to DTC, Euroclear or Clearstream, Luxembourg, as the case may be, from time to time.

If this Covered Bond is an A$ Registered Covered Bond lodged in Austraclear to exercise the right to require redemption of this Covered Bond the holder of this Covered Bond must deliver, at the specified office of the A$ Registrar on any business day (as defined in Condition 6.8), falling within the notice period a duly signed and completed notice to the Issuer and the A$ Registrar of exercise in accordance with the Austraclear Regulations in a form acceptable to the A$ Registrar.

If this Covered Bond is an A$ Registered Covered Bond held outside of the Austraclear System, to exercise a right to require redemption of this Covered Bond the Covered Bondholder must, within the notice period, give notice to the Issuer and the A$ Registrar of such exercise in a form acceptable to the A$ Registrar together with any evidence the A$ Registrar may require to establish title of the Covered Bondholder to the relevant Covered Bond.

Any Put Notice or other notice given in accordance with the standard procedures of a clearing system by a holder of, or the holder of a beneficial interest in, as applicable, any Covered Bond pursuant to this Condition 5.4 is irrevocable except where, prior to the due date of redemption, an Issuer Event of Default or a Covered Bond Guarantor Event of Default has occurred and is continuing and the Bond Trustee has declared the Covered Bonds to be due and payable pursuant to Condition 9, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 5.4 and instead request or direct the Bond Trustee to declare such Covered Bond forthwith due and payable pursuant to Condition 9.

5.5 Redemption due to Illegality

The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 31 nor more than 60 days' notice as specified in the applicable Final Terms to the Bond Trustee, the relevant Principal Paying Agent, the relevant Registrar, the Calculation Agent, in the case of A$ Registered Covered Bonds, and, in accordance with Condition 12, all the Covered Bondholders (which notice is irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that it has, or will before the next Interest Payment Date of any Covered Bond of any Series, become unlawful for the Intercompany Loan Provider and/or Demand Loan Provider to make, fund or allow to remain outstanding any Term Advance or the Demand Loan (or, in either case, any part thereof) made by the Intercompany Loan Provider or the Demand Loan Provider, as the case may be, to the Covered Bond Guarantor pursuant to the Intercompany Loan Agreement or the Demand Loan Agreement, as the case may be, as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date.

Covered Bonds redeemed pursuant to this Condition 5.5 will be redeemed at their Early Redemption Amount referred to in Condition 5.7 together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to Condition 5.2 and Condition 5.5, the Issuer must deliver to the Bond Trustee a certificate signed by either a Director, authorised representative, attorney or authorised signatory stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem have occurred and the Bond Trustee will be entitled to accept the certificate as sufficient evidence of the satisfaction of such conditions precedent, in which event it will be conclusive and binding on all holders of the Covered Bonds and Couponholders.

5.6 Final Terms

The applicable Final Terms indicates that either (a) this Covered Bond cannot be redeemed prior to its Final Maturity Date except as provided in Conditions 5.2 and 5.5 above or (b) that this Covered Bond will be redeemable at the option of the Issuer and/or the holder of this Covered Bond prior to such Final Maturity Date in accordance with the provisions of Conditions 5.3 and/or 5.4 on an Optional Redemption Date and at an Optional Redemption Amount and in any Minimum Redemption Amount or Higher Redemption Amount indicated therein.

5.7 Early Redemption Amounts

For the purposes of Condition 5.2 or Condition 5.5 above and Condition 9, unless otherwise indicated in the applicable Final Terms, Covered Bonds will be redeemed at their Early Redemption Amount, being (a) in the case of Fixed Rate Covered Bonds, Floating Rate Covered Bonds or Fixed/Floating Rate Covered Bonds, the Final Redemption Amount or (b) in the case of Zero Coupon Covered Bonds, the Early Redemption Amount as determined in accordance with Condition 5.9 below, in each case in the relevant Specified Currency together with, in the case of Fixed Rate Covered Bonds redeemed pursuant to Condition 5.2 or Condition 5.5 above, interest accrued to, but excluding, the date fixed for redemption.

5.8 Purchase and Cancellation

The Issuer or any of its Subsidiaries or the Covered Bond Guarantor may (subject as provided below) at any time purchase or otherwise acquire Covered Bonds of this Series (provided that, in the case of Bearer Definitive Covered Bonds, all unmatured Coupons and Talons appertaining to such Covered Bonds are attached thereto or surrendered therewith) in any manner and at any price. If purchases are made by tender, tenders must be available to all the Covered Bondholders alike. Such Covered Bonds may be held, reissued, resold or, at the option of the Issuer or the relevant subsidiary, (i) surrendered to the relevant Registrar and/or to any relevant Paying Agent for cancellation or (ii) in the case of any A$ Registered Covered Bonds, cancelled by the A$ Registrar (except that any Covered Bonds purchased or otherwise acquired by the Covered Bond Guarantor must immediately be (i) surrendered to the relevant Registrar and/or to any relevant Paying Agent for cancellation or (ii) in the case of any A$ Registered Covered Bonds, cancelled by the A$ Registrar).

5.9 Zero Coupon Covered Bonds

In the case of Zero Coupon Covered Bonds, the Early Redemption Amount will be an amount equal to the sum of the:

(a) Reference Price (as specified in the applicable Final Terms); and

(b) product of the Accrual Yield (as specified in the applicable Final Terms) (compounded annually) being applied to the Reference Price (as specified in the applicable Final Terms) from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Covered Bond becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each or such other Day Count Fraction as may be specified in the applicable Final Terms.

6. PAYMENTS AND EXCHANGE OF TALONS

6.1 Payments in respect of Bearer Definitive Covered Bonds

(a) Payments of principal and interest (if any) in respect of Bearer Definitive Covered Bonds (if issued) will (subject as provided below) be made against surrender (or, in the case of part payment only, presentation and endorsement) of Bearer Definitive Covered Bonds or Coupons (which expression, in this Condition 6 and Condition 8, will not include Talons), as the case may be, at any specified office of any relevant Paying Agent.

(b) Except as otherwise provided in Condition 6.4 below, all payments of principal and interest with respect to Bearer Definitive Covered Bonds will be made outside the United States. Payments in any currency other than euro in respect of Bearer Definitive Covered Bonds will (subject as provided below) be made by transfer to an account (in the case of payment in Yen to a non-resident of Japan, a non-resident account) in the Specified Currency maintained by the payee with a bank in the principal financial centre of the country of the Specified Currency provided that if at any time such payments cannot be so made, then payments will be made in such other manner as the Issuer may determine and notify in accordance with Condition 12.

6.2 Payments in respect of Registered Covered Bonds

Payments of principal in respect of Registered Covered Bonds (whether or not in Global form) will (subject as provided in this Condition 6.2) be made against presentation and surrender of such Registered Covered Bonds at the specified office of the Registrar by a cheque in the Specified Currency drawn on a bank in the principal financial centre of the country of the Specified Currency. Payments of interest in respect of Registered Covered Bonds will (subject as provided in this Condition 6.2) be made by a cheque in the Specified Currency drawn on a bank in the principal financial centre of the country of the Specified Currency and posted on the business day in the city in which the Registrar has its specified office immediately preceding the relevant due date to the holder (or to the first named of joint holders) of the Registered Covered Bond appearing on the register: (a) subject to (b) below, in respect of a Registered Covered Bond in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and DTC (if applicable) are open for business) prior to the relevant due date and (b)(i) in respect of a Registered Covered Bond held through DTC and represented by a Registered Global Covered Bond which is denominated in a Specified Currency other than U.S. dollars or (ii) in respect of a Registered Covered Bond in definitive form, at the close of business on the 15th day prior to the relevant due date (in either case, the **Record Date**) at his address shown on the register on the Record Date. Upon application of the holder to the specified office of the Registrar not less than five business days in the city in which the Registrar has its specified office before the due date for any payment in respect of a Registered Covered Bond, the payment of principal and/or interest may be made (in the case of payment of principal against presentation and surrender of the relevant Registered Covered Bond as provided above) by transfer on the due date to an account in the Specified Currency maintained by the payee with a bank in the principal financial centre of the country of the Specified Currency subject to the provisions of the following two sentences. If the Specified Currency is Yen, payment will be made (in the case of payment to a non-resident of Japan) by cheque drawn on, or by transfer to a non-resident account. If the Specified Currency is euro, payment will be made to a euro account specified by the payee.

Holders of Registered Covered Bonds will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any such Registered Covered Bond as a result of a cheque posted in accordance with this Condition 6.2 arriving after the due date for payment or being lost in the post. No commissions or expenses may be charged to such Covered Bondholders by the Registrar in respect of any payment of principal or interest in respect of the Registered Covered Bonds.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Covered Bond in respect of Covered Bonds denominated in a Specified Currency other than U.S. dollars must be paid by transfer by the U.S. Registrar to an account in the relevant Specified Currency of the Exchange Agent for conversion into and payment in U.S. dollars in accordance with the provisions of the Principal Agency Agreement.

None of the Issuer, the Bond Trustee, the Covered Bond Guarantor nor the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

6.3 Payments in respect of Bearer Global Covered Bonds

(a) Payments of principal and interest (if any) in respect of Bearer Global Covered Bonds will (subject as provided below) be made in the manner specified in the Bearer Global Covered Bond against presentation and endorsement or surrender, as the case may be, of such Bearer Global Covered Bond at the specified office of any Paying Agent outside of the United States. A record

of each payment made on such Bearer Global Covered Bond, distinguishing between any payment of principal and interest, will be made on such Bearer Global Covered Bond by the Paying Agent to which such Bearer Global Covered Bond is presented for the purpose of making such payment, and such record will (save in the case of manifest error) be conclusive evidence that the payment in question has been made.

(b) The holder of a Bearer Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) is the only person entitled to receive payments in respect of Covered Bonds represented by such Bearer Global Covered Bond and the Issuer or, as the case may be, the Covered Bond Guarantor will be discharged by payment to, or to the order of, the holder of such Bearer Global Covered Bond (or the Bond Trustee as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Covered Bonds must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Covered Bond Guarantor to, or to the order of, the holder of the relevant Bearer Global Covered Bond (or as provided in the Bond Trust Deed, the Bond Trustee). No person other than the holder of a Bearer Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) will have any claim against the Issuer or, as the case may be, the Covered Bond Guarantor in respect of any payments due on that Bearer Global Covered Bond.

6.4 Payments of interest in U.S. dollars in respect of Bearer Covered Bonds

Notwithstanding the foregoing, payments of interest in U.S. dollars in respect of Bearer Covered Bonds will only be made at the specified office of any Paying Agent in the United States (which expression, as used in these Conditions, means the United States of America (including the States and District of Columbia and its possessions)) (a) if: (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of interest on the Bearer Covered Bonds in the manner provided above when due, (ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars and (iii) such payment is then permitted under United States law and (b) at the option of the relevant holder if such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer and, where applicable, the Covered Bond Guarantor.

6.5 Payments in respect of A$ Registered Covered Bonds

Payments of interest and principal in respect of A$ Registered Covered Bonds will be made in accordance with the details recorded in the A$ Register by 5.00 p.m. local time in the city in which the A$ Registrar has its specified office on the A$ Record Date. Where an A$ Registered Covered Bond is recorded on the A$ Register as being held jointly, payment of interest or principal (as the case may be) by the Issuer will be made to the Covered Bondholders in their joint names unless requested otherwise (and in a form satisfactory to the Issuer) by 5.00 p.m. local time in the city in which the A$ Registrar has its specified office.

Payments in respect of the A$ Registered Covered Bonds will be made:

(a) where the A$ Registered Covered Bonds are lodged in Austraclear, by crediting on the relevant due date the amount the due to the relevant Covered Bondholder in accordance with the Austraclear Regulations; or

(b) if the A$ Registered Covered Bonds have been removed from Austraclear, by crediting on the relevant due date, the amount then due to a bank account in Australia previously notified by the Covered Bondholder to the A$ Registrar. If an account is not specified to the A$ Registrar by 5.00 p.m. local time in the city in which the A$ Registrar has its specified office on the relevant A$ Record Date, payments in respect of the relevant A$ Registered Covered Bond will be made by cheque mailed on the Local Business Day immediately preceding the relevant Interest Payment Date (in case of payments of interest) or on the due date for repayment or redemption (in the case of payments of principal) at the Covered Bondholder's risk, to the address of the Covered Bondholder (or to the first-named of joint Covered Bondholders) appearing in the A$

Register as at 5.00 p.m. local time in the city in which the A$ Registrar has its specified office on the relevant A$ Record Date. Cheques despatched to the nominated address of a Covered Bondholder in accordance with this Condition 6.5 will be taken to have been received by the Covered Bondholder on the relevant Interest Payment Date (in the case if payments of interest) or the due date for payment or redemption (in the case of payments of principal) and no further amount will be payable by the Issuer as a result of payment not being received by the Covered Bondholder on the due date.

No payment of interest in respect of any A$ Registered Covered Bonds will be mailed to an address in the United States or transferred to an account maintained by the Covered Bondholder in the United States.

None of the Issuer, the Bond Trustee, the Covered Bond Guarantor nor the A$ Registrar will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the A$ Registered Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

6.6 Payments subject to applicable laws

Payments in respect of the Covered Bonds will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto.

6.7 Unmatured Coupons and Talons

(a) Fixed Rate Covered Bonds which are Bearer Definitive Covered Bonds (other than Long Maturity Covered Bonds (as defined in subparagraph (b)) should be presented for redemption together with all unmatured Coupons (which expression will include Coupons falling to be issued on exchange of Talons which will have matured on or before the relevant redemption date) appertaining thereto, failing which, the amounts of any missing unmatured Coupons (or, in the case of payment of principal not being made in full, that proportion of the aggregate amount of such missing unmatured Coupons that the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Any amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupons at any time in the period expiring 10 years after the Relevant Date (as defined in Condition 7) for the payment of such principal, whether or not such Coupon would otherwise have become void pursuant to Condition 8 or, if later, five years from the due date for payment of such Coupon. Upon any Fixed Rate Covered Bond which is a Bearer Definitive Covered Bond becoming due and repayable prior to its Final Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons in respect of any such Talons will be made or issued, as the case may be.

(b) Upon the due date for redemption of any Floating Rate Covered Bond or Long Maturity Covered Bond which is a Bearer Definitive Covered Bond, any unmatured Coupons or Talons relating to such Covered Bond (whether or not attached) will become void and no payment or exchange, as the case may be, will be made in respect of them. Where any such Covered Bond is presented for redemption without all unmatured Coupons or Talons relating to it, redemption will be made only against the provision of such indemnity as the Issuer may require. A **Long Maturity Covered Bond** is a Fixed Rate Covered Bond (other than a Fixed Rate Covered Bond which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Covered Bond will cease to be a Long Maturity Covered Bond on the Fixed Interest Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Covered Bond.

6.8 Payments due on non-business days

If any date for payment of principal in respect of any A$ Registered Covered Bond, Registered Covered Bond or any amount in respect of any Bearer Covered Bond or Coupon is not a business day, then the holder thereof will not be entitled to payment at the place of presentation of the amount due until the next following business day (unless otherwise specified in the applicable Final Terms) and will not be entitled to any interest or other sum in respect of any such postponed payment. In addition if any date for the payment of interest by transfer to an account specified by the holder in respect of any A$ Registered Covered Bond or Registered Covered Bond is not a business day, then the holder will not be entitled to payment to such account until the next following business day and will not be entitled to any interest or other sum in respect of any such postponed payment. In this Condition 6.8, **business day** means, subject as provided in the applicable Final Terms:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):

(i) in the case of Definitive Covered Bonds, in the relevant place of presentation;

(ii) in the case of Regulation S Covered Bonds, London;

(iii) in the case of Rule 144A Covered Bonds, New York City;

(iv) in the case of A$ Registered Covered Bonds, Sydney; and

(v) any Additional Financial Centre specified in the applicable Final Terms;

(b) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the places specified in paragraph (a)) or (2) in relation to any sum payable in euro, a day on which T2 is open; and

(c) in the case of any payment in respect of a Registered Global Covered Bond denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Covered Bond) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

6.9 Payment of accrued interest

If the due date for redemption of any interest bearing Covered Bond which is a Bearer Definitive Covered Bond is not a due date for the payment of interest relating thereto, interest accrued in respect of such Covered Bond from, and including, the last preceding due date for the payment of interest (or, if none, from the Interest Commencement Date) will be paid only against surrender (or, in the case of part payment, presentation and endorsement) of such Covered Bond.

6.10 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Paying Agent in Luxembourg (or any other Paying Agent notified by the Issuer to the Covered Bondholders in accordance with Condition 12 for the purposes of this Condition 6.10) in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to, and including, the final date for the payment of interest due in respect of the Covered Bond which is a Bearer Definitive Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon will, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the Coupon sheet in which that Talon was included on issue matures.

6.11 Interpretation of principal and interest

Any reference in these Conditions to principal in respect of the Covered Bonds will be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 7 or under any undertakings or covenants given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed;

(b) the Final Redemption Amount of the Covered Bonds;

(c) the Early Redemption Amount of the Covered Bonds;

(d) the Optional Redemption Amount(s) (if any) of the Covered Bonds;

(e) in relation to Zero Coupon Covered Bonds, the Amortisation Yield;

(f) any premium and any other amounts (other than interest) which may be payable under or in respect of the Covered Bonds; and

(g) any Excess Proceeds which may be payable by the Bond Trustee under or in respect of the Covered Bonds.

Any reference in these Conditions to interest in respect of the Covered Bonds will be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertakings given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed.

7. TAXATION

All payments by or on behalf of the Issuer (in respect of principal, redemption amount or interest) in respect of the Covered Bonds or Coupons of this Series will be made free and clear of and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**), unless such withholding or deduction of such Taxes is required by law. In the event of any withholding or deduction for or on account of Taxes imposed or levied by or on behalf of a Tax Jurisdiction and which is required by law, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Covered Bondholders and Couponholders of this Series after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Covered Bonds or, as the case may be, Coupons in the absence of such withholding or deduction, except that no additional amounts are payable in relation to any payment in respect of any Covered Bonds or Coupon:

(a) presented for payment in the Tax Jurisdiction;

(b) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Covered Bond or Coupon by reason of his having some connection with the Tax Jurisdiction other than the mere holding of such Covered Bond or Coupon;

(c) to, or to a third party on behalf of, a Covered Bondholder who is liable to such Taxes in respect of such Covered Bond or Coupon by reason of his having some connection with Australia or the Australian Capital Territory or the country in which such branch is located other than the mere holding of such Covered Bond or Coupon or receipt of principal or interest in respect thereof or could have lawfully avoided (but has not so avoided) such liability by providing or procuring that any third party provides the Covered Bondholder's Tax File Number (**TFN**) and/or Australian Business Number (**ABN**) or evidence that the Covered Bondholder is not required to provide a TFN and/or ABN to the Issuer or, in the case of Covered Bonds issued by a branch of the Issuer located outside Australia, satisfies similar requirements or otherwise provides details of the Covered Bondholder's name and address to the Issuer;

(d) to, or to a third party on behalf of, a Covered Bondholder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the Covered Bond or Coupon is presented for payment;

(e) where the Covered Bond or Coupon is presented for payment more than 30 days after the Relevant Date except to the extent that a Covered Bondholder would have been entitled to an additional amount on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Business Day;

(f) to, or to a third party on behalf of, a Covered Bondholder who is liable to the Taxes in respect of the Covered Bond or Coupon by reason of the Covered Bondholder being an associate of the Issuer for the purposes of section 128F(9) of the Income Tax Assessment Act 1936 (Cth) of Australia (as amended) (**Australian Tax Act**);

(g) where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation under section 255 of the Income Tax Assessment Act 1936 of Australia or section 260-5 of Schedule 1 of the Taxation Administration Act 1953 of Australia or any similar law;

(h) where such withholding or deduction is required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder or any official interpretations thereof, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any IGA entered into in connection with the implementation of such sections of the Code; or

(i) in such other circumstances as may be specified in the applicable Pricing Supplement.

Relevant Date means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Bond Trustee, the relevant Principal Paying Agent or the A$ Registrar on or before the due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Covered Bondholders in accordance with Condition 12.

Tax Jurisdiction means Australia or any political subdivision or any authority thereof or therein having power to tax and where the Issuer is a branch of Macquarie Bank Limited established or located outside Australia, the jurisdiction where such branch of Macquarie Bank Limited is established or located, or any political subdivision thereof or any authority therein having the power to tax in that jurisdiction.

References in these Conditions to principal and interest will be deemed also to refer (as appropriate) (i) to any additional amounts which may be payable under this Condition 7, (ii) in relation to Zero Coupon Covered Bonds, to the Amortisation Yield and (iii) to any premium which may be payable in respect of the Covered Bonds.

If any withholding or deduction is required by the Covered Bond Guarantor in respect of a payment of a Guaranteed Amount to be made by it, the Covered Bond Guarantor must pay the Guaranteed Amounts net of such withholding or deduction and must account to the appropriate tax authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any additional amount to the Bond Trustee or any holder of Covered Bonds and/or Coupons in respect of the amount of such withholding or deduction.

8. PRESCRIPTION

Claims for payment of principal under the Covered Bonds (other than A$ Registered Covered Bonds) (whether in bearer or registered form) will be prescribed upon the expiry of 10 years, and claims for payment of interest (if any) in respect of the Covered Bonds (whether in bearer or registered form) will be prescribed upon the expiry of five years, in each case from the Relevant Date (as defined in Condition 7) therefor subject to the provisions of Condition 6. There may not be included in any Coupon sheet

issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 8 or Condition 6 or any Talon which would be void pursuant to Condition 6.

9. EVENTS OF DEFAULT AND ENFORCEMENT

9.1 Issuer Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose or the purpose of any Extraordinary Resolution referred to in this Condition 9.1 means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Bond Trust Deed) then outstanding, as if they were a single Series (with the Principal Amount Outstanding of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate) or, if so directed by an Extraordinary Resolution of the Covered Bondholders, must (but in the case of the happening of any of the events mentioned in subparagraphs (b), (c) or (f) , only if the Bond Trustee has certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series) (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice (an **Issuer Acceleration Notice**) in writing to the Issuer that as against the Issuer (but not, for the avoidance of doubt, as against the Covered Bond Guarantor under the Covered Bond Guarantee) each Covered Bond of each Series is, and each such Covered Bond will, unless such event has been cured by the Issuer prior to the Issuer's receipt of the notice in writing from the Bond Trustee, thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Bond Trust Deed if any of the following events (each an **Issuer Event of Default**) occurs and is continuing:

(a) the Issuer fails to pay any principal or interest in respect of any Covered Bonds within 14 days of the relevant due date; or

(b) the Issuer defaults in performance or observance of or compliance with any of its other obligations or any other provision under the Covered Bonds and the Programme Documents (except in respect of the Regulation S Programme Agreement, the U.S. Distribution Agreement, any Subscription Agreement or any Terms Agreement and any obligation to comply with the Asset Coverage Test) which default is incapable of remedy or, if capable of remedy, is not remedied within 31 days after notice requiring such default to be remedied shall have been given to the Issuer by the Bond Trustee; or

(c) an application (other than a frivolous or vexatious application or an application which is discharged or stayed within 31 days) or an order is made for the winding-up of the Issuer or a resolution is passed for the winding-up of the Issuer other than for the purposes of a solvent reconstruction or amalgamation; or

(d) a receiver, receiver and manager, administrator, liquidator, official manager, trustee or similar officer is appointed in respect of all or any part of the assets of the Issuer and such appointment is not terminated within 31 days; or

(e) the Issuer is unable to pay its debts when they fall due or is deemed unable to pay its debts under any applicable legislation (other than as the result of a failure to pay a debt or claim which is the subject of a good faith dispute); or

(f) the Issuer makes or enters into (i) a readjustment or rescheduling of its indebtedness with creditors generally or (ii) an assignment for the benefit of, or an arrangement or composition with, its creditors generally, in each case, other than for the purposes of a reconstruction, amalgamation, reorganisation or merger where the Issuer is solvent; or

(g) if an Asset Coverage Test Breach Notice is served and not deemed to be revoked in accordance with the terms of the Establishment Deed on or before the next Determination Date to occur following the service of such Asset Coverage Test Breach Notice; or

(h) if the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds is breached during the Pre-Maturity Test Period and the amount standing to the credit of the Pre-Maturity

Ledger of the GIC Account is less than the Australian Dollar Equivalent of the Required Redemption Amount for each Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached, on the earlier to occur of the:

(A) date that is 10 Local Business Days from the date that the Issuer is notified of that breach; and

(B) Final Maturity Date of that Series of Hard Bullet Covered Bonds.

Notwithstanding any other term or provision of this Condition 9.1, no Issuer Event of Default in respect of the Covered Bonds shall occur solely on account of any failure by the Issuer to perform or observe any of its obligations in relation to, or the taking of, any process or proceedings in respect of, any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (each as defined by APRA from time to time).

Upon the Covered Bonds becoming immediately due and repayable against the Issuer pursuant to this Condition 9.1, the Bond Trustee must immediately serve a notice to pay (the **Notice to Pay**) on the Covered Bond Guarantor pursuant to the Covered Bond Guarantee and the Covered Bond Guarantor will be required to make payments of Guaranteed Amounts when the same become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may or must take such proceedings or other action or step against the Issuer in accordance with Condition 9.3.

The Bond Trust Deed provides that all moneys received by or on behalf of the Bond Trustee following the occurrence of an Issuer Event of Default and the delivery of an Issuer Acceleration Notice and a Notice to Pay, from the Issuer or any receiver, liquidator, administrator, receiver and manager, statutory manager or other similar official appointed in relation to the Issuer (the **Excess Proceeds**), must be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and must be held by the Covered Bond Guarantor in the GIC Account and the Excess Proceeds will thereafter form part of the Security and must be used by the Covered Bond Guarantor in the same manner as all other moneys from time to time standing to the credit of the GIC Account pursuant to the Security Deed and the Establishment Deed. Any Excess Proceeds received by the Bond Trustee will discharge *pro tanto* the obligations of the Issuer in respect of the payment of the amount of such Excess Proceeds under the Covered Bonds and Coupons (as applicable and to the extent of the amount so received and subject to restitution of the same if such Excess Proceeds are required to be repaid by the Covered Bond Guarantor) (but will be deemed not to have done so for the purposes of subrogation rights of the Covered Bond Guarantor contemplated by the Bond Trust Deed). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration Notice and a Notice to Pay or if earlier, service of a Covered Bond Guarantee Acceleration Notice) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds and payment to the Covered Bond Guarantor of such Excess Proceeds will not reduce or discharge any of such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder will be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

9.2 Covered Bond Guarantor Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose and the purpose of any Extraordinary Resolution referred to in this Condition 9.2 means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Bond Trust Deed) then outstanding as if they were a single Series (with the Principal Amount Outstanding of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate) or, if so directed by an Extraordinary Resolution of all the Covered Bondholders, must (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), but in the case of the happening of any of the events described in paragraph (b) or (c), only if the Bond Trustee has certified

in writing to the Issuer and the Covered Bond Guarantor that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series, give notice (the **Covered Bond Guarantee Acceleration Notice**) in writing to the Issuer and to the Covered Bond Guarantor, that (x) each Covered Bond of each Series is, and each Covered Bond of each Series will as against the Issuer (if not already due and repayable against it following an Issuer Event of Default), thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest and (y) all amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee will thereupon immediately become due and payable at the Guaranteed Amount corresponding to the Early Redemption Amount for each Covered Bond of each Series together with accrued interest, in each case as provided in the Bond Trust Deed and thereafter the Security will become enforceable if any of the following events (each a **Covered Bond Guarantor Event of Default**) has occurred and is continuing:

(a) if default is made by the Covered Bond Guarantor for a period of 14 days or more in the payment of any Guaranteed Amounts when Due for Payment in respect of the Covered Bonds of any Series except in the case of the payments of a Guaranteed Amount when Due for Payment on the Extended Due for Payment Date under Condition 5.1 where the Covered Bond Guarantor will be required to make payments of Guaranteed Amounts which relate to the Final Redemption Amount and which are Due for Payment on the Extended Due for Payment Date; or

(b) if default is made by the Covered Bond Guarantor in the performance or observance of any other obligation, condition or provision binding on it (other than any obligation for the payment of Guaranteed Amounts in respect of the Covered Bonds of any Series) under the Bond Trust Deed, the Security Deed or any other Programme Document to which the Covered Bond Guarantor is a party (other than the Regulation S Programme Agreement, the U.S Distribution Agreement, any Subscription Agreement or any Terms Agreement) and, except where such default is or the effects of such default are, in the opinion of the Bond Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required, such default continues for 30 days (or such longer period as the Bond Trustee may permit) after written notice thereof has been given by the Bond Trustee to the Covered Bond Guarantor requiring the same to be remedied; or

(c) the Covered Bond Guarantor retires or is removed, or is required to retire or be removed as trustee of the Trust in accordance with the Establishment Deed and another trustee is not appointed as trustee of the Trust in accordance with the Establishment Deed within 60 days of the occurrence of that event; or

(d) a failure to satisfy the Amortisation Test (as set out in the Establishment Deed) on any Determination Date following service of a Notice to Pay on the Covered Bond Guarantor; or

(e) the Covered Bond Guarantee is not, or is claimed by the Covered Bond Guarantor not to be, in full force and effect.

Following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, each of the Bond Trustee and the Security Trustee may or must take such proceedings or steps in accordance with the first and third paragraphs, respectively, of Condition 9.3 and the Bond Trustee will have a claim against the Covered Bond Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount for each Covered Bond of each Series together with accrued interest and any other amount due under the Covered Bonds (other than additional amounts payable under Condition 7 as provided in the Bond Trust Deed in respect of each Covered Bond).

9.3 Enforcement

The Bond Trustee may at any time, at its discretion and without further notice, following service of an Issuer Acceleration Notice (in the case of the Issuer) or, if earlier, following service of a Covered Bond Guarantee Acceleration Notice (in the case of the Covered Bond Guarantor) take such proceedings or other action or step as it may think fit against or in relation to the Issuer and/or the Covered Bond Guarantor, as the case may be, and/or any other person as it may think fit to enforce the provisions of the Bond Trust Deed, the Covered Bonds and the Coupons or any other Programme Document, but it will

not be bound to take any such enforcement proceedings or other action or step in relation to the Bond Trust Deed, the Covered Bonds or the Coupons or any other Programme Document unless (i) it has been so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid) or so requested in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid) and (ii) it has been indemnified and/or secured and/or prefunded to its satisfaction.

In exercising any of its powers, trusts, authorities and discretions, the Bond Trustee must only have regard to the interests of the Covered Bondholders of all Series equally or, if only applicable to one Series, the Covered Bondholders of the relevant Series, and must not have regard to the interests of any other Secured Creditors.

The Bond Trustee may at any time, following service of a Covered Bond Guarantee Acceleration Notice at its discretion and without further notice, direct the Security Trustee to take such actions, steps or proceedings against the Covered Bond Guarantor and/or any other person as it may think fit to enforce the provisions of the Security Deed or any other Programme Document and may, at any time after the Security has become enforceable, direct the Security Trustee to take such steps as it may think fit to enforce the Security, but it will not be bound to give any such direction and the Security Trustee or the Bond Trustee will not be bound to take any such proceedings, steps or actions unless: (i) the Bond Trustee has been so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid) or so requested in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid); and (ii) the Bond Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

In exercising any of its powers, trusts, authorities and discretions under this paragraph, each of the Bond Trustee and the Security Trustee must only have regard to the interests of the Covered Bondholders of all Series equally or, if only applicable to one Series, the Covered Bondholders of the relevant Series, and must not have regard to the interests of any other Secured Creditors.

No Covered Bondholder or Couponholder will be entitled to institute proceedings directly against the Issuer or the Covered Bond Guarantor or to take any step or action with respect to the Bond Trust Deed, the Covered Bonds, the Coupons, or the Security unless the Bond Trustee or the Security Trustee, as applicable, having become bound so to proceed, fails so to do within a reasonable time and such failure is continuing in which event any Covered Bondholder, or Couponholder may itself institute such proceedings and/or prove in the winding up, administration or liquidation of the Issuer or the Covered Bond Guarantor to the same extent and in the same jurisdiction (but not further or otherwise than the Bond Trustee would have been entitled to do so in respect of the Covered Bonds and Coupons and/or the Bond Trust Deed).

9.4 Directions of Security Trustee by Bond Trustee

The Security Trustee will not be obliged to take any steps under any of the Programme Documents or exercise any of its powers, rights, trusts, authorities, duties, functions or discretions under any of the Programme Documents to which the Security Trustee is a party without first taking instructions from the Bond Trustee (provided that the Security Trustee will never be entitled to seek or receive instructions from the Bond Trustee in relation to clause 21 of the Security Deed or in relation to investing in Authorised Investments) and having been indemnified and/or secured and/or prefunded to its satisfaction as aforesaid and provided always that the Security Trustee will not be bound to take any enforcement proceedings which may, in the opinion of the Security Trustee in its absolute discretion, result in the Security Trustee failing to receive any payment to which it is or would be entitled. The Security Trustee may exercise a right, power or discretion without receiving any instructions from the Bond Trustee if the Security Trustee reasonably believes that it is in the best interests of the Covered Bondholders or, if there are no Covered Bonds outstanding, the Secured Creditors that it does so.

In the event that the Bond Trustee is (i) requested in writing by the Security Trustee, or (ii) required by the holders of the Covered Bonds, to provide the Security Trustee with instructions, the Bond Trustee must do so (save where expressly provided otherwise), in relation to (i) of this paragraph only, in its absolute discretion subject to and in accordance with these presents or, in relation to both (i) and (ii) of this paragraph if so requested in writing by the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Covered Bonds then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) or directed by an Extraordinary Resolution of the holders of the Covered Bonds then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) subject in each case to the Bond Trustee being indemnified and/or secured and/or prefunded to its satisfaction prior to it giving any instructions to the Security Trustee. The Bond Trustee will be entitled to request the Covered Bondholders (voting as aforesaid) to direct it in relation to any matter in relation to which the Security Trustee has requested instructions. The Bond Trustee will have no obligation to monitor or supervise the performance of the Security Trustee and will have no liability to any person for the performance or non-performance of the Security Trustee. In no circumstances will the Bond Trustee be required to indemnify, secure or prefund the Security Trustee.

An Extraordinary Resolution passed at a meeting of Covered Bondholders duly convened and held in accordance with the Bond Trust Deed is binding upon the Security Trustee and all the Secured Creditors whether present or not present at such meeting and each of such Secured Creditors and, subject to the provisions of the Security Deed, the Security Trustee is bound to give effect to the Extraordinary Resolution. The Security Trustee is not required to do or omit to do any act if, in the opinion of the Security Trustee, this might cause it to breach a law, a Programme Document, a fiduciary duty or an obligation owed to another person.

10. MEETINGS OF COVERED BONDHOLDERS, MODIFICATION, WAIVER, SUBSTITUTION AND RATINGS AGENCIES

Covered Bondholders, Couponholders and other Secured Creditors should note that the Issuer, the Covered Bond Guarantor and, other than in relation to A$ Registered Covered Bonds, the relevant Principal Paying Agent may without their consent or the consent of the Bond Trustee or the Security Trustee agree to modify any provision of any Final Terms which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provisions of law.

10.1 Meetings

The Bond Trust Deed contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Covered Bondholders of any Series to consider any matter affecting their interests, including the modification of these Conditions or the provisions of the Bond Trust Deed. The quorum at any such meeting in respect of the Covered Bonds of any Series for passing an Extraordinary Resolution (other than in respect of a Series Reserved Matter) is one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing the Covered Bondholders of such Series whatever the Principal Amount Outstanding of the Covered Bonds of such Series so held or represented, except that at any meeting the business of which includes any Series Reserved Matter, the quorum for any such meeting will be one or more persons holding or representing not less than two-thirds of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding or at any adjourned meeting, the business of which includes any Series Reserved Matter, the quorum will be one or more persons holding or representing not less than one-third of the aggregate Principal Amount Outstanding of the Covered Bonds of such Series for the time being outstanding. The expression **Extraordinary Resolution** when used in these Conditions means: (i) a resolution passed at a meeting of the Covered Bondholders duly convened and held in accordance with the Bond Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes cast on such poll; or (ii) a resolution in writing signed by or on behalf of Covered Bondholders holding not less than three-fourths in Principal Amount Outstanding of the Covered Bonds then outstanding, which resolution in writing may be contained in one document or in several documents in like form each signed by or on

behalf of one or more of the Covered Bondholders; or (iii) a resolution passed by way of electronic consents given by holders through the relevant clearing system(s) (in a form satisfactory to the Bond Trustee) by or on behalf of the Covered Bondholders of not less than three-fourths in Principal Amount Outstanding for the time being outstanding of the Covered Bonds (of the relevant Series or all Series, as applicable). An Extraordinary Resolution passed at any meeting of the Covered Bondholders of a Series will, subject as provided below, be binding on all the Covered Bondholders of such Series, whether or not they are present at the meeting, and on all Couponholders in respect of such Series of Covered Bonds. Pursuant to the Bond Trust Deed, the Bond Trustee may convene a single meeting of the holders of Covered Bonds of more than one Series if in the opinion of the Bond Trustee there is no conflict between the respective interests of such Covered Bondholders, in which event the provisions of this paragraph will apply thereto *mutatis mutandis*.

Notwithstanding the provisions of the immediately preceding paragraph, any Extraordinary Resolution to direct the Bond Trustee to accelerate the Covered Bonds pursuant to Condition 9.1 or to give a Covered Bond Guarantee Acceleration Notice pursuant to Condition 9.2 or to direct the Bond Trustee or the Security Trustee or to direct the Bond Trustee to direct the Security Trustee to take any enforcement action or to direct the Bond Trustee to determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such for the purposes of the Bond Trust Deed (each a **Programme Resolution**) and will only be capable of being passed at a single meeting of the Covered Bondholders of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer, the Covered Bond Guarantor or the Bond Trustee or by the Covered Bondholders of any Series. The quorum at any such meeting for passing a Programme Resolution is one or more persons holding or representing in the aggregate more than 50 per cent. in Principal Amount Outstanding of the Covered Bonds of all Series for the time being outstanding or at any adjourned such meeting one or more persons holding or representing Covered Bonds whatever the Principal Amount Outstanding of the Covered Bonds of any Series so held or represented. A Programme Resolution passed at any meeting of the Covered Bondholders of all Series will be binding on all the Covered Bondholders of all Series, whether or not they are present at the meeting, and on all related Couponholders.

In connection with any meeting of the holders of Covered Bonds of more than one Series where such Covered Bonds are not denominated in Australian Dollars, the Principal Amount Outstanding of the Covered Bonds of any Series not denominated in Australian Dollars must be converted into Australian Dollars at the relevant Swap Rate.

10.2 Modification and waiver

The Bond Trustee may, without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders and without the consent or sanction of the other Secured Creditors (other than any Secured Creditor who is party to the relevant document), at any time and from time to time, concur with the Issuer, the Covered Bond Guarantor (acting on the directions of the Trust Manager) or any other party and/or direct the Security Trustee to concur with the Issuer, the Covered Bond Guarantor (acting on the directions of the Trust Manager) or any other party in making:

(i) any modification (other than in relation to a Series Reserved Matter) to the Covered Bonds of one or more Series, the related Coupons or any Programme Document which in the opinion of the Bond Trustee is not materially prejudicial to the interests of the Covered Bondholders of any Series; or

(ii) any modification to the Covered Bonds of one or more Series, the related Coupons or any Programme Document which is in the opinion of the Bond Trustee is (A) of a formal, minor or technical nature, (B) made to correct a manifest error or (C) made to comply with mandatory provisions of law (and for the purpose of this item (C), the Bond Trustee may disregard whether any such modification relates to a Series Reserved Matter).

In forming its opinion as to whether the Covered Bonds or any one or more Series, the related Coupons or any Programme Document is subject to a manifest error, the Bond Trustee may have regard to any evidence which it considers reasonable to rely on (including a certificate from the Issuer as to certain matters and a Rating Affirmation Notice issued by the Issuer).

Notwithstanding the above, the Bond Trustee will not be obliged to agree to any amendment which, in the sole opinion of the Bond Trustee, would have the effect of: (x) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (y) increasing the obligations or duties, or decreasing the protections, of the Bond Trustee in the Programme Documents and/or the Conditions.

The Bond Trustee may without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders and without the consent of any other Secured Creditor and without prejudice to its rights in respect of any subsequent breach, Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default from time to time and at any time but only if in so far as in its opinion the interests of the Covered Bondholders of any Series will not be materially prejudiced thereby, waive or authorise, or direct the Security Trustee to waive or authorise, any breach or proposed breach by the Issuer or the Covered Bond Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Programme Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such for the purposes of the Bond Trust Deed, PROVIDED ALWAYS THAT the Bond Trustee must not exercise any powers conferred on it in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 9.1 or Condition 9.2 but so that no such direction or request will affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Bond Trustee may determine, will be binding on the Covered Bondholders, the related Couponholders and, if, but only if, the Bond Trustee requires, must be notified by the Issuer or the Trust Manager (on behalf of the Covered Bond Guarantor) (as the case may be) to the Covered Bondholders in accordance with Condition 12 and each Rating Agency as soon as practicable thereafter.

Subject to as provided below, the Bond Trustee will be bound to waive or authorise, or direct the Security Trustee to waive or authorise, any breach or proposed breach by the Issuer or the Covered Bond Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Programme Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such for the purposes of the Bond Trust Deed if it is: (i) in the case of such waiver or authorisation, (a) so directed by an Extraordinary Resolution of the Covered Bondholders of the relevant one or more Series (with the Covered Bonds of all such Series taken together as a single Series in the circumstances provided in the Bond Trust Deed and, if applicable, converted into Australian Dollars at the relevant Swap Rate); or (b) requested to do so in writing by the holders of not less than 25 per cent. of the Principal Amount Outstanding of the Covered Bonds of the relevant one or more Series (with the Covered Bonds of all such Series taken together as a single Series in the circumstances provided in the Bond Trust Deed and, if applicable, converted into Australian Dollars at the relevant Swap Rate); or (ii), in the case of any such determination, (a) so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding with the Covered Bonds of all Series taken together as a single Series and, if applicable, converted into Australian Dollars at the relevant Swap Rate); or (b) requested to do so in writing by the holders of not less than 25 per cent. of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding with the Covered Bonds of all Series taken together as a single Series and, if applicable, converted into Australian Dollars as aforesaid), and at all times then only if it is indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

The Security Trustee may, without the consent of the Covered Bondholders and/or Couponholders of any Series and without the consent of the other Secured Creditors and without prejudice to their rights in respect of any subsequent breach, Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default from time to time and at any time, but only if (for so long as any Covered Bonds are outstanding) it is instructed by the Bond Trustee in accordance with the Bond Trust Deed or (if no Covered Bonds are outstanding) it is instructed by the Majority Secured Creditors, authorise or waive any breach or proposed breach of any of the covenants or provisions contained in the Covered Bonds of any Series or any Programme Document or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be

treated as such for the purposes of the Security Deed. Any such authorisation, waiver or determination will be binding on the Covered Bondholders and/or Couponholders and the other Secured Creditors and, unless the Bond Trustee otherwise agrees, must be notified by the Issuer or the Covered Bond Guarantor (acting on the directions of the Trust Manager) (as the case may be) to the Covered Bondholders in accordance with Condition 12 and each Rating Agency as soon as practicable thereafter.

Any such modification, waiver, authorisation or determination will be binding on all the Covered Bondholders of all Series of Covered Bonds for the time being outstanding, the Couponholders and the other Secured Creditors, and unless the Bond Trustee otherwise agrees, any such modification, waiver, authorisation or determination must be notified by the Issuer, to the Covered Bondholders of all Series of Covered Bonds in accordance with Condition 12 and to the Rating Agencies as soon as practicable thereafter.

Where in connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Bond Trustee and the Security Trustee are required to have regard to the general interests of the Covered Bondholders of each Series as a class (but must not have regard to any interests arising from circumstances particular to individual Covered Bondholders or Couponholders whatever their number) and, in particular but without limitation, must not have regard to the consequences of any such exercise for individual Covered Bondholders, the related Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Bond Trustee and the Security Trustee will not be entitled to require, nor will any Covered Bondholder or Couponholder be entitled to claim, from the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Covered Bondholders and/or Couponholders, except to the extent already provided for in Condition 7 and/or in any undertaking or covenant given in addition to, or in substitution for, Condition 7 pursuant to the Bond Trust Deed.

The Bond Trustee and Security Trustee must concur in and effect any modifications to the Programme Documents that are requested by the Issuer, the Covered Bond Guarantor or the Trust Manager to (a) accommodate the accession of a new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Agent or new Cover Pool Monitor to the Programme provided that (i) each of the Swap Providers provide written confirmation to the Security Trustee and the Bond Trustee consenting to such modification of those documents to which they are a party (such consent not to be unreasonably withheld); (ii) the Trust Manager has certified to the Security Trustee and the Bond Trustee in writing that such modifications are required in order to accommodate the addition of the new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Agent or new Cover Pool Monitor to the Programme; (iii) the Trust Manager has certified to the Security Trustee and the Bond Trustee that all other conditions precedent to the accession of the new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Agent or new Cover Pool Monitor to the Programme set out in the Programme Documents have been satisfied at the time of the accession; (b) accommodate the accession of Macquarie Bank Limited as a new Seller to the Programme provided that: (i) the Trust Manager has certified to the Security Trustee and the Bond Trustee in writing that such modifications are required in order to accommodate the addition of the Macquarie Bank Limited as a new Seller to the Programme; and (ii) the Trust Manager has certified to the Security Trustee and the Bond Trustee in writing that all other conditions precedent to the accession of Macquarie Bank Limited as a new Seller to the Programme set out in the Programme Documents have been satisfied at the time of the accession; (c) accommodate the removal of any one of the Rating Agencies from the Programme or the addition of any Rating Agency, provided that (i) at all times, there are at least two rating agencies rating the Programme and any Covered Bonds then outstanding and (ii) in respect of the removal of any one of the Rating Agencies from the Programme only (x) the Issuer has provided at least 30 calendar days' notice to the Covered Bondholders of the proposed modification effecting the removal in the manner provided in Condition 12 and by publication on Bloomberg on the "Company News" screen relating to the Covered Bonds; and (y) Covered Bondholders holding, in aggregate, at least 10 per cent. of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) have not notified the Bond Trustee in writing (or otherwise in accordance with the then current practice of any relevant Clearing System through which such Covered Bonds may be held) within the notification period referred to in paragraph (c)(ii)(x) above

that such Covered Bondholders do not consent to the proposed modification effecting the removal; (d) permit the acquisition (which, without limitation, may be initially in equity only) by the Covered Bond Guarantor of Mortgage Loan Rights originated by an entity other than a then Seller and to enable the Covered Bond Guarantor to protect or perfect its title to such Mortgage Loan Rights, provided that such Mortgage Loan Rights comply with the Eligibility Criteria at the time of their acquisition by the Covered Bond Guarantor and the Issuer is reasonably satisfied following discussions with the Rating Agencies that the ratings then assigned by the Rating Agencies to any Covered Bonds or the Programme will not be subject to a downgrade, withdrawal or qualification; (e) take into account any new covered bonds ratings criteria of the Rating Agencies, or any changes or updates to, or any replacement of, the covered bonds ratings criteria of the Rating Agencies (including, without limitation, any manner in which a Rating Agency applies or construes any then existing covered bonds ratings criteria), subject to receipt by the Bond Trustee and the Security Trustee of a Rating Affirmation Notice from the Issuer; (f) allow a Swap Provider to transfer securities as Swap Collateral under a relevant Swap Agreement Credit Support Annex, including to appoint a custodian to hold such securities in a custody account pursuant to a custody agreement; (g) enable N Covered Bonds to be issued under the Programme subject to receipt by the Bond Trustee and the Security Trustee of: (i) a certificate signed by two Authorised Officers of the Issuer; and (ii) a certificate signed by an Authorised Officer of the Trust Manager, each certifying to the Bond Trustee and the Security Trustee that the requested amendments: (x) are to be made solely for the purpose of the issuance of N Covered Bonds; and (y) are not, in the opinion of the Issuer or the Trust Manager, materially prejudicial to the interests of any Covered Bondholders or any other Secured Creditor; or (h) ensure compliance of the Programme or the Issuer, as applicable, with, or ensure that the Issuer may benefit from (including if a Regulatory Event has occurred or was likely to occur), any existing, new or amended legislation, regulation, directive, prudential standard or prudential guidance note of any regulatory body (including APRA) in relation to covered bonds provided that the Trust Manager has certified to the Bond Trustee and the Security Trustee in writing that such modifications are required in order to comply with or benefit from such legislation, regulation, directive, prudential standard or prudential guidance note, as the case may be.

The Bond Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes in the circumstances and as otherwise set out in Condition 4.2(f)(vii) without the consent of the Covered Bondholders or Couponholders and the reference in the first paragraph of Condition 10.1 to meetings of the Covered Bondholders shall not apply to any Benchmark Replacement Conforming Changes made pursuant to Condition 4.2(f)(vii), which shall be made without Covered Bondholders' or Couponholders' consent as specified therein. In addition, the Bond Trustee shall at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by one Authorised Officer of the Issuer, confirming that the Issuer has made the relevant determinations in accordance with Condition 4.2(g) and specifying the proposed BBSW Rate Amendments, be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer in effecting any BBSW Rate Amendments in the circumstances and as otherwise set out in Condition 4.2(g)(iii) without the consent of the Covered Bondholders and the Bond Trustee shall not be liable to any person for any consequences thereof, save as provided in the Bond Trust Deed. The reference in the first paragraph of Condition 10.1 to meetings of the Covered Bondholders shall not apply to BBSW Rate Amendments made pursuant to Condition 4.2(g)(iii), which, in each case, shall be made without Covered Bondholders' consent as specified therein. The Bond Trustee shall not be obliged to agree to any BBSW Rate Amendments which in the sole opinion of the Bond Trustee would have the effect of (A) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Bond Trustee in the Programme Documents and/or these Conditions.

In the case of a modification falling within paragraph (c)(ii) above, if Covered Bondholders holding, in aggregate, at least 10 per cent. of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) have notified the Bond Trustee in writing (or otherwise in accordance with the then current practice of any relevant Clearing System through which such Covered Bonds may be held) within the notification period referred to in paragraph (c)(ii)(x) above that they do not consent to the proposed modification effecting the removal (an **Objected Modification**), then such Objected Modification will not be made unless the foregoing provisions of this Condition 10.2 are satisfied with respect to such Objected Modification. Objections made in writing other than through the relevant Clearing System must be accompanied by evidence to the Bond Trustee's satisfaction (having

regard to prevailing market practices) of the relevant Covered Bondholder's holding of the Covered Bonds.

10.3 Substitution

The Bond Trust Deed provides that in connection with any scheme of amalgamation or reconstruction of the Issuer not involving the bankruptcy or insolvency of the Issuer and (A) where the Issuer does not survive the amalgamation or reconstruction or (B) where all or substantially all of the assets and business of the Issuer will be disposed of to, or succeeded to, by another entity (whether by operation of law or otherwise), the Bond Trustee will, if requested in writing by the Issuer, be obliged, without the consent or sanction of the Covered Bondholders or Couponholders, at any time to agree to the substitution in the place of the Issuer (or of the previous substitute) as principal debtor under the Bond Trust Deed (the **Substituted Debtor**) being the entity with and into which the Issuer amalgamates or the entity to which all or substantially all of the business and assets of the Issuer is transferred, or succeeded to, pursuant to such scheme of amalgamation or reconstruction (whether by operation of law or otherwise), subject to:

(i) the Substituted Debtor entering into a supplemental trust deed or some other form of undertaking in form and manner satisfactory to the Bond Trustee agreeing to be bound by the Bond Trust Deed with any consequential amendments which the Bond Trustee may deem appropriate as fully as if the Substituted Debtor had been named in the Bond Trust Deed as principal debtor in place of the Issuer;

(ii) the Substituted Debtor acquiring or succeeding to pursuant to such scheme of amalgamation or reconstruction all or substantially all of the assets and business of the Issuer;

(iii) each stock exchange or market on which the Covered Bonds are listed confirming in writing that following the proposed substitution of the Substituted Debtor the Covered Bonds will continue to be listed on such stock exchange or market;

(iv) the supplemental trust deed containing a warranty and representation by the Substituted Debtor that (A) the Substituted Debtor has obtained all necessary governmental and regulatory approvals and consents necessary for or in connection with the assumption by the Substituted Debtor of liability as principal debtor in respect of, and of its obligations under, the supplemental trust deed and the Covered Bonds; (B) such approvals and consents are at the time of substitution in full force and effect; and (C) the obligations assumed by the Substituted Debtor under the supplemental trust deed are legal, valid and binding in accordance with their respective terms;

(v) confirmations being received by the Bond Trustee from each Rating Agency that the substitution will not adversely affect the then current rating of the Covered Bonds;

(vi) where the Substituted Debtor is incorporated, domiciled or resident in, or subject generally to the taxing jurisdiction of a territory other than or in addition to Australia, undertakings or covenants in form and manner satisfactory to the Bond Trustee being given by the Substituted Debtor in terms corresponding to the provisions of Condition 7 with the substitution for (or, as the case may be, the addition to) the references to Australia of references to that other or additional territory in which the Substituted Debtor is incorporated, domiciled or resident or to whose taxing jurisdiction it is subject and (where applicable) Conditions 5.2 and 7 being modified accordingly;

(vii) without prejudice to the rights of reliance of the Bond Trustee under the immediately following paragraph, the Bond Trustee being satisfied that the relevant transaction is not materially prejudicial to the interests of the Covered Bondholders;

(viii) if two directors of the Substituted Debtor (or other officer acceptable to the Bond Trustee) certifying that the Substituted Debtor is solvent both at the time at which the relevant transaction is proposed to be effected and immediately thereafter (which certificate the Bond Trustee may rely on absolutely without liability to any person) and the Bond Trustee must not have regard to the financial condition, profits or prospects of the Substituted Debtor or compare the same with those of the Issuer;

(ix) without prejudice to item (i) of the definition of Series Reserved Matter (as set out in Condition 10.4), the Covered Bond Guarantee remaining in place or being modified to apply *mutatis mutandis* and continuing in full force and effect in relation to the obligations of any Substituted Debtor;

(x) written confirmations are received by the Bond Trustee from each of the Rating Agencies confirming that the substitution will not adversely affect the then current rating of the Covered Bonds; and

(xi) the Issuer and the Substituted Debtor, must deliver to the Bond Trustee legal opinions obtained from lawyers of international repute in (a) England and Wales and (b) the jurisdiction of incorporation of the Substituted Debtor in form and substance satisfactory to the Bond Trustee.

Any such supplemental trust deed or undertaking will, if so expressed, operate to release the Issuer or in either case the previous substitute as aforesaid from all of its obligations as principal debtor under the Bond Trust Deed.

In addition, subject as further provided in the Bond Trust Deed, the Bond Trustee may without the consent or sanction of the Covered Bondholders or Couponholders at any time agree to the substitution in place of the Issuer (or any previous substitute under this Condition 10.3) as the principal debtor under the Covered Bonds, Coupons and the Bond Trust Deed or any other corporation subject to certain other conditions set out in the Bond Trust Deed being complied with.

Any substitution pursuant to this Condition 10.3 will be binding on the Covered Bondholders and must be notified in a form previously approved by the Bond Trustee by the new Issuer to the Covered Bondholders not later than 14 days after any such substitution in accordance with Condition 12.

10.4 Rating Agencies

If:

(i) a confirmation or affirmation of rating or other response by a Rating Agency is a condition to any action or step under any Programme Document; and

(ii) the Issuer has delivered to the Covered Bond Guarantor (copied to each Seller and each Rating Agency) written confirmation that it has notified each Rating Agency of the action or step and that the Trust Manager is satisfied, following discussions with each Rating Agency, that the action or step, as applicable, will not result in a reduction, qualification or withdrawal of the ratings then assigned by that Rating Agency and that Rating Agency does not consider such confirmation necessary,

the parties will be entitled to assume that the then current rating of the Covered Bonds from that Rating Agency will not be downgraded, qualified or withdrawn by such Rating Agency as a result of such action or step.

The Bond Trustee will be entitled to treat as conclusive a certificate signed by an Authorised Officer of the Issuer or the Covered Bond Guarantor as to any matter referred to in (ii) above of this Condition 10.4 and the Bond Trustee will not be responsible for any Liability that may be caused as a result.

For the purposes of this Condition 10:

Potential Issuer Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Issuer Event of Default.

Potential Covered Bond Guarantor Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Covered Bond Guarantor Event of Default.

Series Reserved Matter in relation to Covered Bonds of a Series means any proposal: (i) to amend the dates of maturity or redemption of the Covered Bonds, or any date for payment of interest or Interest Amounts on the Covered Bonds or the obligation of the Issuer to pay additional amounts pursuant to Condition 7, (ii) to reduce or cancel the Principal Amount Outstanding of, or any premium payable on redemption of, the Covered Bonds, (iii) to reduce the rate or rates of interest in respect of the Covered Bonds or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Covered Bonds, (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount is set out in the applicable Final Terms, to reduce any such amount, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, (vi) to vary the currency or currencies of payment or Specified Denomination of the Covered Bonds, (vii) to take any steps that as specified in the applicable Final Terms may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Covered Bondholders or the majority required to pass the Extraordinary Resolution, (ix) to amend the Covered Bond Guarantee or the Security Deed (other than any amendment that the Bond Trustee may consent to without the consent of the Covered Bondholders under the Bond Trust Deed); and (x) to alter this proviso or the quorum requirements for an adjourned meeting of Covered Bondholders for the transaction of business comprising any Series Reserved Matter or the alteration of this definition.

11. REPLACEMENT OF COVERED BONDS, COUPONS AND TALONS AND EXCHANGE OF TALONS

Should any Covered Bond (other than any A$ Registered Covered Bond), Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced subject to applicable laws, regulations and listing authority, stock exchange and/or quotation system regulations at the specified office of the Principal Paying Agent in Hong Kong (in the case of Bearer Covered Bonds, Coupons or Talons) or the specified office of the relevant Registrar (in the case of Registered Covered Bonds), or any other place approved by the Bond Trustee of which notice has been published in accordance with Condition 12 upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Covered Bond, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Covered Bonds, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Covered Bonds (other than A$ Registered Covered Bonds), Coupons or Talons must be surrendered before replacements will be issued.

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the relevant Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Bearer Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 8.

12. NOTICES

All notices regarding the Bearer Covered Bonds will be valid if published in a leading English language daily newspaper of general circulation in London. It is expected that any such newspaper publication will be made in the *Financial Time*s in London. The Issuer must also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Covered Bonds are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers or where published in such newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Bond Trustee may in its discretion approve.

All notices regarding the Registered Covered Bonds will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on

the fourth day after mailing and, in addition, for so long as any Registered Covered Bonds are admitted to trading on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

All notices regarding the A$ Registered Covered Bonds will be deemed to be validly given if sent by pre-paid post or (if posted to an address overseas) by airmail to, or left at the address of, the holders (or the first named of joint holders) at their respective addresses recorded in the A$ Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any A$ Registered Covered Bonds are admitted to trading on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. For so long as the A$ Registered Covered Bonds are lodged in the Austraclear System there may be substituted for such, publication in the *Australian Financial Review* or *The Australian* or mailing the delivery of the relevant notice to Austraclear for communication by it to the holders of beneficial interests in the A$ Registered Covered Bonds and, in addition, for so long as any A$ Registered Covered Bonds are listed on a stock exchange or admitted to trading by any other relevant authority and the rules of that stock exchange, or as the case may be, other relevant authority so require, such notice or notices will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice will be deemed to have been given to the holders of beneficial interests in the A$ Registered Covered Bonds on the day on which the said notice was given to Austraclear.

Until such time as any Definitive Covered Bonds are issued, there may, so long as the Covered Bonds are represented in their entirety by any Global Covered Bonds held on behalf of DTC, Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to DTC, Euroclear and/or Clearstream, Luxembourg for communication by them to the Covered Bondholders and, in addition, for so long as any Covered Bonds are listed on a stock exchange or admitted to trading by any other relevant authority and the rules of that stock exchange, or as the case may be, other relevant authority so require, such notice or notices will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice will be deemed to have been given to the Covered Bondholders on the day on which the said notice was given to DTC, Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Covered Bondholder must be in writing and given by lodging the same, together (in the case of any Covered Bond in Definitive form) with the relative Covered Bond or Covered Bonds, with the Agent (in the case of the Bearer Covered Bonds) or the applicable Registrar (in the case of Registered Covered Bonds). Whilst any of the Covered Bonds are represented by a Global Covered Bond, such notice may be given by any holder of a Covered Bond to the relevant Principal Paying Agent or the relevant Registrar through DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the relevant Principal Paying Agent, the relevant Registrar, DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose. Notices to be given by any Covered Bondholder in respect of A$ Registered Covered Bonds to the Issuer will be in writing and must be (i) sent by pre-paid post or (if posted to an address overseas) by airmail to; or (ii) left at the address of, the Issuer and will be deemed to have been given on the fourth day after mailing or on the day of delivery, respectively.

13. FURTHER ISSUES

The Issuer will be at liberty from time to time without the consent of the Covered Bondholders or the Couponholders to create and issue further bonds having terms and conditions the same as the Covered Bonds of any Series or the same in all respects save for the amount and date of the first payment of interest thereon, issue date and/or purchase price and so that the same can be consolidated and form a single Series with the outstanding Covered Bonds of such Series.

14. INDEMNIFICATION OF THE BOND TRUSTEE AND THE SECURITY TRUSTEE AND THE BOND TRUSTEE AND SECURITY TRUSTEE CONTRACTING WITH THE ISSUER AND/OR THE COVERED BOND GUARANTOR

If, in connection with the exercise of its powers, trusts, authorities or discretions, the Bond Trustee is of the opinion that the interests of the Covered Bondholders of any one or more Series would be materially

prejudiced thereby, the Bond Trustee must not exercise such power, trust, authority or discretion without the approval of such Covered Bondholders of the relevant Series by Extraordinary Resolution or by a direction in writing of such Covered Bondholders of at least 25 per cent. of the Principal Amount Outstanding of Covered Bonds of the relevant Series then outstanding or as otherwise required under the Programme Documents.

The Bond Trust Deed and the Security Deed contain provisions for the indemnification of the Bond Trustee and the Security Trustee and for their relief from responsibility, including provisions relieving them from taking any action unless indemnified and/or secured and/or prefunded to their satisfaction.

The Bond Trust Deed and the Security Deed also contain provisions pursuant to which each of the Bond Trustee and Security Trustee, respectively, is entitled, *inter alia*: (i) to enter into business transactions with the Issuer, the Covered Bond Guarantor and/or any of their respective Subsidiaries and affiliates and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, the Covered Bond Guarantor and/or any of their respective Subsidiaries and affiliates; (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Covered Bondholders or Couponholders or the other Secured Creditors and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

Neither the Bond Trustee nor the Security Trustee will be responsible for any loss, expense or liability which may be suffered as a result of any Mortgage Loan Rights or any Secured Property, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons whether or not on behalf of the Bond Trustee and/or the Security Trustee. Neither the Bond Trustee nor the Security Trustee will be responsible for *inter alia*: (i) monitoring or supervising the performance by the Issuer or any other party to the Programme Documents of their respective obligations under the Programme Documents, and the Bond Trustee and the Security Trustee will be entitled to assume, until they each have written notice to the contrary, that all such persons are properly performing their duties; (ii) considering the basis on which approvals or consents are granted by the Issuer or any other party to the Programme Documents under the Programme Documents; (iii) monitoring the Mortgage Loan Rights forming part of the Assets of the Trust, including whether the Asset Coverage Test is satisfied or otherwise or the Amortisation Test is satisfied or otherwise; (iv) monitoring whether Mortgage Loans are Eligible Mortgage Loans or (v) monitoring whether the Issuer is in breach of the Pre-Maturity Test. Neither the Bond Trustee nor the Security Trustee will be liable to any Covered Bondholder or other Secured Creditor for any failure to make or to cause to be made on their behalf the searches, investigations and enquiries which would normally be made by a prudent secured creditor in relation to the Security and neither of them has any responsibility in relation to the legality, validity, sufficiency and enforceability of the Security and the Programme Documents.

The Bond Trustee may refrain from taking any action or exercising any right, power, authority or discretion vested in it relating to the transactions contemplated in the Programme Documents until it has been indemnified and/or secured and/or prefunded to its satisfaction against any and all actions, charges, claims, costs, damages, demands, expenses, liabilities, losses and proceedings which might be sustained by it as a result and will not be required to do anything which may cause it to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights, powers, authorities or discretions if it has reasonable grounds for believing that repayment of such funds or adequate indemnity, security or prefunding against such liability is not assured to it.

15. LIMITED RECOURSE AND NON-PETITION

15.1 Only the Security Trustee may pursue the remedies available under the general law or under the Security Deed to enforce the Security and no Transaction Party will be entitled to proceed directly against the Covered Bond Guarantor to enforce the Security. In particular, each Transaction Party (other than the Covered Bond Guarantor and the Security Trustee) has agreed with and acknowledges to each of the Covered Bond Guarantor and the Security Trustee, and the Security Trustee agreed with and acknowledged to the Covered Bond Guarantor, that:

(a) none of the Transaction Parties (nor any person on their behalf, other than the Security Trustee where appropriate) is entitled, otherwise than as permitted by the Programme Documents, to direct the Security Trustee to enforce the Security or take any proceedings against the Covered Bond Guarantor to enforce the Security;

(b) none of the Transaction Parties (other than the Security Trustee) will have the right to take or join any person in taking any steps against the Covered Bond Guarantor for the purpose of obtaining payment of any amount due from the Covered Bond Guarantor to any of such Transaction Parties;

(c) until the date falling two years after the Vesting Date none of the Transaction Parties nor any person on their behalf may initiate or join any person in initiating an Insolvency Event in relation to the Trust other than a Receiver appointed under clause 15 of the Security Deed; and

(d) none of the Transaction Parties is entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priorities of Payments not being complied with.

15.2 The Covered Bondholders are deemed to agree with and acknowledge to each of the Covered Bond Guarantor and the Security Trustee, and the Security Trustee has agreed with and acknowledged to the Covered Bond Guarantor, that notwithstanding any other provision of any Programme Document, all obligations of the Covered Bond Guarantor to such party including, without limitation, the Secured Obligations, are limited in recourse to the Covered Bond Guarantor as set out below:

(a) it will have a claim only in respect of the Secured Property and will not have any claim, by operation of law or otherwise, against, or recourse to, any of the Covered Bond Guarantor's other assets;

(b) sums payable to each party in terms of the Covered Bond Guarantor's obligations to such party will be limited to the lesser of (a) the aggregate amount of all sums due and payable to such party and (b) the aggregate amounts received, realised or otherwise recovered and immediately available for payment by or for the account of the Covered Bond Guarantor in respect of the Secured Property whether pursuant to enforcement of the Security or otherwise, net of any sums which are payable by the Covered Bond Guarantor in accordance with the Priorities of Payments in priority to or *pari passu* with sums payable to such party; and

(c) upon the Security Trustee giving written notice to the relevant party that it has determined in its opinion, and the Servicer having certified to the Security Trustee, that there is no reasonable likelihood of there being any further realisations in respect of the Secured Property (whether arising from an enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Programme Document, the relevant party will have no further claim against the Covered Bond Guarantor in respect of any such unpaid amounts and the obligations to pay such unpaid amounts will be discharged in full,

save that this limitation will not apply to a liability of the Covered Bond Guarantor to the extent it results from the Covered Bond Guarantor's fraud, negligence or wilful default.

15.3 The Covered Bondholders are deemed to agree with and acknowledge to the Security Trustee that the Security Trustee enters into each Programme Document to which it is a party only in its capacity as trustee of the Security Trust and in no other capacity and that the Security Trustee will have no liability under or in connection with this deed or any other Programme Document (whether to the Secured Creditors, the Covered Bond Guarantor or any other person) other than to the extent to which the liability is able to be satisfied out of the property of the Security Trust from which the Security Trustee is actually indemnified for the liability. This limitation will not apply to a liability of the Security Trustee to the extent it results from the Security Trustee's fraud, negligence or wilful default.

15.4 To the extent permitted by law, no recourse under any obligation, covenant, or agreement of any person contained in the Programme Documents may be had against any shareholder, officer, agent or director of such person as such, by the enforcement of any assessment or by any legal proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that the Programme Documents are

corporate obligations of each person expressed to be a party thereto and no personal liability will attach to or be incurred by the shareholders, officers, agents or directors of such person as such, or any of them, under or by reason of any of the obligations, covenants or agreements of such person contained in the Programme Documents, or implied therefrom, and that any and all personal liability for breaches by such person of any of such obligations, covenants or agreements, either under any applicable law or by statute or constitution, of every such shareholder, officer, agent or director is expressly waived by each person expressed to be a party thereto as a condition of and consideration for execution of the Programme Documents.

16. DISAPPLICATION OF CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of any Covered Bond but this does not affect any right or remedy of any person which exists or is available apart from that Act.

17. GOVERNING LAW

The Bond Trust Deed (including the Covered Bond Guarantee), the Principal Agency Agreement, the Covered Bonds (other than the A$ Registered Covered Bonds), the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law unless specifically stated to the contrary (in this regard, the covenant to pay made by the Issuer to the Bond Trustee in respect of the A$ Registered Covered Bonds in the Bond Trust Deed, the provisions relating to the issuance of A$ Registered Covered Bonds and the maintenance of the A$ Register in respect of the A$ Registered Covered Bonds in the Bond Trust Deed and the provisions relating to limiting recourse to the Covered Bond Guarantor and the Security Trustee in the Bond Trust Deed, the Principal Agency Agreement and the A$ Registered Covered Bonds are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia). The A$ Registry Agreement and the A$ Registered Covered Bonds are governed by, and will be construed in accordance with the laws applying in the State of New South Wales, Australia unless specifically stated to the contrary.

18. JURISDICTION

18.1 Each of the Covered Bond Guarantor and the Issuer agrees for the benefit of the holders of Covered Bonds that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with such Covered Bonds and all matters connected with the Covered Bonds, Receipts, Coupons and Talons (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such courts.

18.2 Each of the Covered Bond Guarantor and the Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

18.3 The Issuer agrees for the benefit of the holders of A$ Registered Covered Bonds, that the courts of New South Wales, Australia shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with such A$ Registered Covered Bonds and all matters connected with such A$ Registered Covered Bonds (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such courts.

18.4 For the purposes of Condition 18.3, the Issuer irrevocably waives any objection which it might now or hereafter have to the courts of the State of New South Wales, Australia being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

19. SERVICE OF PROCESS

Each of the Issuer and the Covered Bond Guarantor:

(a) agrees that the process by which any proceedings in England are begun may be served on it by delivery to the Group Treasury Division of the Issuer being at the date hereof at Ropemaker Place, 28 Ropemaker Street, London EC2Y 9HD, United Kingdom;

(b) agrees to procure that, so long as any of the Covered Bonds issued or guaranteed by it (as the case may be) remains liable to prescription, there will be in force an appointment of such a person approved by the Bond Trustee with an office in London with authority to accept service as aforesaid;

(c) agrees that a failure by any such person to give notice of such service or process to the Issuer or the Covered Bond Guarantor will not impair the validity of such service or of any judgment based thereon; and

(d) agrees that nothing in these Conditions will affect the right to serve process in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds from each issue of Covered Bonds by the Issuer will be used for the general purposes of the Issuer and its subsidiaries.

MACQUARIE BANK LIMITED

Macquarie Bank Limited (**Macquarie Bank** or the **Bank**) is an APRA regulated ADI headquartered in Sydney, Australia and is a wholly owned subsidiary of MGL. The Bank offers retail and business banking and wealth management, as well as risk and capital solutions with a particular focus on financial markets, asset finance and commodities. The Bank offers a range of services to government, institutional, corporate and retail clients.

The Bank began in 1969 as the merchant bank Hill Samuel Australia Limited, a wholly-owned subsidiary of Hill Samuel & Co Limited, London. Authority for the Bank to conduct banking business in Australia was received from the Australian Federal Treasurer on 28 February 1985.

The Bank'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 Bank became an indirect wholly-owned subsidiary of Macquarie Group Limited (MGL), a new ASX listed company. The Macquarie Group's operations are conducted primarily through two groups within which the individual businesses operate comprising a Banking Group, consisting of Macquarie B.H. Pty Limited (ABN 86 124 071 432) (the direct parent of MBL) and its subsidiaries including the Bank, and a Non-Banking Group, consisting of MGL, Macquarie Financial Limited and its subsidiaries, Macquarie International Finance Limited and its subsidiaries and Macquarie Asset Management Holdings Pty Ltd and its subsidiaries. Although the Bank's ordinary shares are no longer listed on the ASX, certain debt securities continue to be listed on the ASX and accordingly, the Bank remains subject to the disclosure and other requirements of the ASX as they apply to companies with debt securities listed on the ASX.

At 31 March 2026, the Bank employed 15,101[5] staff, had total assets of A$463.1 billion, APRA Basel III Level 2 Common Equity Tier 1 capital ratio of 12.8 per cent., a Tier 1 capital ratio of 14.2 per cent. and total equity of A$24.6 billion. For the financial year ended 31 March 2026, profit after tax attributable to the ordinary equity holder of the Bank was A$6,011 million.

The Bank's registered office is Level 1, 1 Elizabeth Street, Sydney, New South Wales 2000, Australia. Macquarie Bank's principal administrative office is 1 Elizabeth Street, Sydney, New South Wales 2000, Australia. The telephone number of its principal place of business is +612 8232 3333. The Bank may offer Covered Bonds acting through its head office in Sydney or one or more of its branches outside Australia as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Covered Bonds may be issued by Macquarie Bank Limited, acting through its London Branch. On 8 August 1994, Macquarie Bank Limited opened a London Branch. On 21 October 1994, Macquarie Bank Limited was registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR002678) in England and Wales. Macquarie Bank Limited, London Branch is an authorised person for the purposes of section 19 of the Financial Services and Markets Act 2000, as amended, and is authorised and regulated by the Financial Conduct Authority (Firm No. 170934). In the United Kingdom, Macquarie Bank Limited conducts regulated banking business.

Macquarie Bank Limited (including its branches) is authorised and regulated by APRA. Macquarie Bank Limited, London Branch is authorised by the Prudential Regulation Authority (the **PRA**) and is subject to regulation by the FCA and limited regulation by the PRA. Details about the extent of the Bank's regulation by the PRA are available on request (FCA Firm No. 170934).

Organisational Structure

The Banking Group comprises the two operating groups: Banking and Financial Services; and Commodities and Global Markets excluding certain assets of the Financial Markets business and certain activities of the Commodity Markets and Finance business, and some other less financially significant activities, are undertaken from within the Non-Banking Group.

The Banking Group currently provides services to both the Banking Group and the Non-Banking Group through the Corporate segment. The Corporate segment is not considered an operating group and includes the following Central Service Groups: Corporate Operations Group, Financial Management, People and Engagement, Risk Management Group, Legal and Governance Group and Central Executive. Services include: risk management,

[5] This figure includes staff employed in certain operationally segregated subsidiaries. All references to staff numbers are calculated on this basis.

finance, technology, operations, group treasury, human resources, workplace, legal and corporate governance, corporate affairs, taxation services, strategy, operational risk management, data and transformation, business resilience and global security, central executive services, and other services as may be agreed from time to time.

The Bank will continue to monitor and review the appropriateness of the Macquarie Group structure. From time to time, the optimal allocation of its businesses between the Banking Group and the Non-Banking Group and within the Banking Group and the Non-Banking Group may be adjusted and it may make changes in light of relevant factors, including business growth, regulatory considerations, market developments and counterparty considerations.

Operating Group Overview

Banking and Financial Services Group

Banking and Financial Services (**BFS**) is in the Banking Group and is Macquarie's retail banking and financial services business providing a diverse range of personal banking, wealth management and business banking products and services to retail clients, advisers, brokers and business clients. BFS' net operating income is primarily sourced from interest income earned from the loan portfolio and fee and commission income on a range of products.

Commodities and Global Markets (excluding certain assets of the Financial Markets business and certain activities of the Commodity Markets and Finance business, and some other less financially significant activities)

Commodities and Global Markets is a global business offering capital and financing, risk management, market access, physical execution and logistics solutions across Commodities, Financial Markets and Asset Finance.

Profit Estimate

The Bank does not make profit forecasts or estimates.

Major Shareholders

As at the date of this Prospectus, Macquarie B.H. Pty Limited (ABN 86 124 071 432) is the sole ordinary shareholder of the Bank. Macquarie B.H. Pty Limited is wholly-owned by MGL.

Lawsuits and Contingent Liabilities

The Bank is a subsidiary of MGL. The Macquarie Group is a large diversified Australian-based financial institution with a long and successful history. Like any financial institution, the Macquarie Group has been subject to legal claims.

As appropriate, the MBL Group makes provision for and recognises contingent liabilities in respect of actual and potential claims and proceedings that have not been determined. An assessment of likely losses is made on a case-by-case basis for the purposes of the consolidated financial statements of the Bank and its subsidiaries and specific provisions that the Bank considers appropriate are made, as described in Note 18 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Prospectus.

There are no, nor have there been, any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Bank is aware) in the 12 month period prior to the date of this Prospectus, which may have or have had a significant effect on the financial position or profitability of the Bank or the MBL Group.

Germany

The Bank was one of over 100 financial institutions involved in the German dividend trading market. Over a dozen criminal trials related to cum-ex have been or are being prosecuted against individuals in German courts and there have been a number of convictions. The Bank's historical involvement in that market included short selling-related activities and acting as a lender to third parties who undertook dividend trading.

The Cologne Prosecutor's Office is investigating the Bank's historical activities. Under German law, companies cannot be criminally prosecuted, but they can be added as ancillary parties to the trials of certain individuals. Ancillary parties may be subject to confiscation orders requiring the disgorgement of profits.

As part of their ongoing industry-wide investigation, the German authorities have designated as suspects approximately 100 current and former Macquarie Group staff members, including the current Macquarie Group CEO. Most of these individuals are no longer at the Macquarie Group. The Macquarie Group has been responding to the German authorities' requests for information about its historical activities. The Macquarie Group has seen increased activity in relation to former and current Macquarie Group employees as the industry-wide investigation continues, notably the prosecution and trial of a former employee from mid-2026.

Since 2018, a number of German civil claims have been brought against the Bank by investors in a group of independent investment funds financed by the Bank to undertake German dividend trading in 2011, who seek total damages of approximately €59 million. The funds were trading shares around the dividend payment dates where investors were seeking to obtain the benefit of dividend withholding tax credits. The investors' credit claims were refused and there was no loss to the German revenue authority. The Bank strongly disputes these claims noting that it did not arrange, advise or otherwise engage with the investors, who were high net-worth individuals with their own advisers. Many, if not all, had previously participated in similar transactions.

The Macquarie Group has provided for these matters.

Material Contracts

There are no material contracts that are not entered into in the ordinary course of the Bank's business which could result in the Bank or any entity within the MBL Group being under an obligation or entitlement that is material to the Bank's ability to meet its obligations to Covered Bondholders in respect of the Covered Bonds.

Significant change in the Bank's financial position

There has been no significant change in the financial performance or financial position of the Bank or the MBL Group since the end of the last financial period for which audited consolidated and non-consolidated financial statements of the Bank and the Bank consolidated with its subsidiaries or unaudited interim financial statements of the Bank consolidated with its subsidiaries have been published, and no material adverse change in the prospects of the Bank or the MBL Group since the date of the last published audited annual financial statements of the Bank and the Bank consolidated with its subsidiaries.

Credit Rating

As at the date of this Prospectus, the Bank has the following debt ratings for long-term unsubordinated unsecured obligations:

(a) S&P Global Ratings, Inc.: A+;

(b) Moody's Investors Service Pty Limited: Aa2; and

(c) Fitch Australia Pty Ltd: A+.

Regulatory Oversight and Recent Developments

This summary describes certain regulators and regulatory regimes applicable to the Macquarie Group, including MGL as the authorised non-operating holding company (**NOHC**) for the Banking Group and the Non-Banking Group.

Australia

In Australia, the principal regulators that supervise and regulate the Macquarie Group's activities are APRA, the RBA, ASIC, the Australian Competition and Consumer Commission (**ACCC**), the Australian Transaction Reports and Analysis Centre (**AUSTRAC**), and operators of the exchanges in which the Macquarie Group participate, including the ASX Limited (as the operator of the Australian Securities Exchange (**ASX**) market) and the Australian Securities Exchange Limited (as the operator of the ASX24 market).

Set out below is a summary of certain key Australian legislative and regulatory provisions that are applicable to the Macquarie Group's operations.

APRA

APRA is the prudential regulator of the Australian financial services industry, focused on ensuring financial promises are met within a stable, efficient and competitive financial system. Under the Australian Banking Act, the Bank is an ADI, and MGL is a NOHC and, as such, both are regulated by APRA and have corporate governance and policy frameworks designed to meet APRA's requirements.

Under the Australian Banking Act, APRA can issue directions to MGL and the Bank or appoint a statutory manager to control the Bank's business in certain circumstances. Under the Financial Sector (Transfer and Restructure) Act 1999, APRA may require the Bank to transfer all or part of its business to another entity, overriding any contract or agreement, including debt securities. These discretionary powers are more likely to be exercised if MGL or the Bank is in material breach of applicable banking laws and/or regulations or is in financial distress, including where MGL or the Bank has contravened the Australian Banking Act (or any related regulations or other instruments made, or conditions imposed, under the Australian Banking Act) or where the Bank has informed APRA that it is likely to become unable to meet its obligations or that it is about to suspend payment. In these circumstances, APRA is required to have regard to protecting the interests of the Bank's depositors and to the stability of the Australian financial system, but not necessarily to the interests of other creditors of MGL and the Bank. The Australian Banking Act does not require APRA to ensure that, in the exercise of its powers, holders of regulatory capital securities are no worse off than they would be in an insolvency.

In its supervision of ADIs, APRA focuses on financial risks, such as capital adequacy, liquidity, market risk and credit risk. It also focuses on non-financial risks, such as operational risk, outsourcing, business continuity management, information security, governance, accountability, remuneration and risk culture. ADIs must regularly report financial, statistical and other information to APRA, and some of this information is not available to investors and stakeholders. APRA conducts on-site visits and meets with boards, senior management and external auditors of the ADIs. External auditors provide assurance to APRA that ADIs comply with prudential standards, that statistical and financial data provided by ADIs is reliable, and that statutory and other banking requirements are met. External auditors undertake targeted reviews of specific risk management areas as requested by APRA. APRA may also exercise certain investigative powers if an ADI fails to provide information about its financial stability or becomes unable to meet its obligations. APRA also regulates Registrable Superannuation Entity licensees, including MGL's Macquarie Investment Management Limited (**MIML**).

The Macquarie Group has been working with APRA on a remediation plan that aims to strengthen the Bank's governance, culture, structure and remuneration to ensure full and ongoing compliance with prudential standards and management of the Bank-specific risks. The changes under the plan will continue to be delivered through 2026 and beyond, creating a positive impact through improved systems, frameworks, processes and strengthening MBL's risk culture.

RBA

APRA works closely with the RBA, which is Australia's central bank and an active participant in the financial markets. It manages Australia's foreign reserves, issues Australian currency notes, serves as banker to the Australian Government and, through the Payment Systems Board (the board of the RBA is responsible for the RBA's payments system policy), supervises the payments system and sets the target cash rate.

ASIC

ASIC is Australia's corporate, markets and financial services regulator, which regulates Australian companies, financial markets, financial services organisations and professionals who deal and advise in investments, superannuation, insurance, deposit taking and credit. ASIC is responsible for consumer protection, monitoring and promoting market integrity and licensing in relation to the Australian financial system.

ASIC regulates the entities the Macquarie Group operate in Australia as the corporate regulator, enforcing appropriate standards of corporate governance and conduct by directors and officers. Several Macquarie Group entities hold Australian financial services (**AFS**) licences. ASIC licences and monitors AFS licencees and requires them to ensure financial services are provided efficiently, honestly and fairly. Several Macquarie Group entities also hold Australian Credit Licences (**ACL**). As the consumer credit regulator, ASIC licences and regulates ACL holders to ensure they meet standards set out in the National Consumer Credit Protection Act 2009 of Australia .

ASIC supervises trading on domestic licensed equity, derivatives and futures markets, including trading by the Bank and other ASX and ASX24 market participants in the MBL Group. On 7 May 2025, ASIC announced that additional conditions have been imposed on the Bank's Australian financial services licence following compliance

failures in the Bank's futures dealing business and its over-the-counter derivatives trade reporting. The conditions require the Bank to prepare and implement a remediation plan and appoint an independent expert to review and report on the adequacy of the remediation activities. On 30 October 2025, ASIC released an interim compliance report which noted that the independent expert had completed its review of the Bank's remediation plan. The Bank will continue to implement the recommendations contained in the expert's report and execute the remediation plan.

ACCC

The ACCC is Australia's competition regulator. Its key responsibilities are to ensure corporations do not act in a way that may have the effect of eliminating or reducing competition, and to oversee product safety and liability, pricing practices and third-party access to facilities of national significance. The ACCC's consumer protection activities complement Australia's state and territory consumer affairs agencies administering unfair trading legislation.

AUSTRAC

AUSTRAC is Australia's anti-money laundering and counter-terrorism financing regulator and specialist financial intelligence unit. It works collaboratively with Australian industries and businesses (including certain entities of the Macquarie Group) in their compliance with anti-money laundering and counter-terrorism financing legislation. It also contributes to investigative and law enforcement activities to combat money laundering, terrorism financing, organised and financial crime, tax evasion and to prosecute criminals in Australia and overseas.

The AML-CTF Act places obligations on providers of financial services, gaming services and bullion dealers, and from 1 July 2026 will apply to certain other service providers. It applies to services, such as financial products, electronic fund transfers, designated remittance arrangements and correspondent banking relationships. The AML-CTF Act has extra-territorial application to overseas entities of Australian companies.

A number of Macquarie Group entities are considered "reporting entities" for the purposes of the AML-CTF Act. They must fulfil certain obligations, including customer due diligence obligations, on-boarding and ongoing customer risk assessments, identification and verification obligations, enhanced customer due diligence, establishing an AML-CTF program to identify, mitigate and manage the risk of money laundering and terrorism financing, enhanced record-keeping and reporting on suspicious matters, cash transactions above a set threshold and international funds transfer instructions to and from Australia.

Financial Exchanges

The MBL Group participates in a range of regulated financial exchanges as part of its global financial markets activities. This participation subjects the Macquarie Group to exchange operating rules and broader regulatory frameworks that are designed to promote fair, orderly and transparent markets. These rules and frameworks typically establish requirements covering all aspects of trading, clearing and settlement, including market disclosure, market conduct and compliance enforcement, and are overseen by exchange operators and relevant regulatory authorities.

ASX24

The ASX24 market provides exchange traded and over-the-counter services and regulates derivative trades that the Bank executes as a market participant in the ASX24. The Bank is subject to the operating rules of the ASX24 which contain provisions for preventing conflicts and enforcing compliance with the operating rules. The rules cover all aspects of trading, clearing and settling, including monitoring market conduct, disciplining of participants and suspension or termination of participation rights and market access.

ASX

ASX is Australia's primary securities market, where MGL's ordinary shares are listed. The Bank and MGL have a contractual obligation to comply with ASX's listing rules, which are backed by the Australian Corporations Act. The rules govern listing requirements and include provisions regarding issues of securities, market disclosure, executive remuneration and related-party transactions. ASX and ASIC oversee the Macquarie Group's compliance, including any ASX-listed funds it manages.

The Bank is also an authorised market participant of ASX Settlement and ASX Clear and is subject to the operating rules which contain provisions for preventing conflicts and enforcing compliance with the operating rules. The

rules cover all aspects of clearing and settling, including monitoring market conduct, disciplining of participants and suspension or termination of participation rights and market access.

Other Australian regulators

The Macquarie Group, the MBL Group and the businesses and funds they manage are also supervised by other regulators in Australia, including but not limited to the Australian Energy Regulator, the Essential Services Commission, the Economic Regulation Authority and the Department of Energy and Water in connection with activities and the management of funds in the utilities and energy sectors.

APRA Regulatory Developments

Capital adequacy

APRA's approach to the assessment of an ADI's capital adequacy is based on the risk-based capital adequacy framework set out in the Basel Committee on Banking Supervisions' (**Basel Committee**) publications.

APRA has stipulated a capital adequacy framework that applies to the Bank as an ADI and MGL as a NOHC. In the case of the Macquarie Group, this framework is set out in MGL's NOHC authority.

In December 2024, APRA confirmed it will phase out Additional Tier 1 (**AT1**) capital instruments to simplify and improve the effectiveness of bank capital in a crisis. In December 2025, APRA finalised consequential amendments to its bank prudential framework to remove AT1 as eligible regulatory capital. The amended prudential standards and guidance will come into effect on 1 January 2027. APRA also proposes to align banking NOHCs, such as MGL, with the broader bank prudential framework and will engage with them on a separate transition plan to ensure a smooth phase-out of NOHC eligible hybrid capital instruments.

APRA also began a consultation process on formalising a three-tiered approach to proportionality within the banking prudential framework in December 2025. The proposal introduces a new tier of Most Significant Financial Institutions, comprising banks with total assets exceeding A$300 billion, which would include the Bank. APRA has indicated that the proposals are intended to better align regulatory expectations with size, complexity and systemic importance, and expects to finalise the framework in 2026.

Liquidity

APRA's liquidity standard (**APS 210**) details the local implementation of the Basel III liquidity framework for Australian banks, incorporating both qualitative requirements and the Liquidity Coverage Ratio (**LCR**) and Net Stable Funding Ratio (**NSFR**). The LCR and NSFR apply to the Bank as the regulated ADI in the Macquarie Group. As an APRA regulated NOHC, MGL must manage liquidity in compliance with APS 210's qualitative requirements.

The LCR requires unencumbered liquid assets be held to cover expected net cash outflows under a combined idiosyncratic and market-wide stress scenario lasting 30 calendar days. Under APS 210, the eligible stock of high-quality liquid assets includes notes and coin, balances held with central banks, Australian dollar Commonwealth Government and semi-government securities, and certain qualifying foreign currency securities.

The NSFR is a 12-month structural funding metric, requiring that "available stable funding" sufficiently cover "required stable funding", where "stable" funding has an actual or assumed maturity of greater than 12 months. On 5 February 2026, APRA reduced the net cash outflow add-on it had previously imposed on the Bank's LCR calculation from 25 per cent. to 15 per cent. and removed the 1 per cent. decrease to the available stable funding component it had previously imposed on the Bank's NSFR calculation. These removals reflect APRA's assessment that the Bank has remediated aspects of liquidity risk management and reporting controls.

On 24 July 2024, APRA published updated prudential standards and guidance following its consultation on changes to liquidity and capital requirements to strengthen the banking sector's resilience to future stress, which came into effect from 1 July 2025. On 21 August 2025, APRA published its Corporate Plan for 2025-2026, highlighting plans to commence engagement with industry in the first half of 2026 on potential revisions to the bank liquidity framework in response to evolving risks.

On 16 March 2026, APRA released its roadmap for future capital and liquidity reforms, including consultation proposals on enhancing the liquidity risk framework such as the creation of a new Pillar 2 liquidity framework to address risks not covered by existing LCR minimum requirements. This roadmap outlines a phased program of

consultation and review intended to ensure Australia's prudential framework remains fit for purpose in a changing risk environment.

Recovery and exit planning and resolution planning

CPS 190 Recovery and Exit Planning and CPS 900 Resolution Planning require banks, insurers and superannuation companies to maintain plans and capabilities in preparedness for periods of stress.

In December 2021, APRA finalised loss-absorbing capacity requirements for domestic systemically important banks to increase minimum Total Capital requirements by 4.5 per cent. of risk weighted assets, which applies from 1 January 2026. Although the Bank is not a domestic systemically important bank, the Bank will be subject to this requirement.

Climate change financial risk

On 28 August 2024, APRA published its Corporate Plan for 2024-2025, highlighting plans to consult on amendments to CPS 220 Risk Management to more clearly embed climate-related financial risk considerations in risk management frameworks. On 13 November 2024, APRA published the findings from the Climate Risk Self-Assessment completed by APRA-regulated entities on a voluntary basis. APRA reiterated its focus on climate change as an emerging risk in its Corporate Plan for 2025-2026.

Market risk

The Basel Committee's finalised standard on minimum capital requirements for market risk (the "Fundamental Review of the Trading Book" (**FRTB**)) includes a clearly defined boundary between trading book and banking book, and a standardised approach and internal model approach using expected shortfall models. On 16 March 2026, APRA announced its intention to consult with the industry on a simplified version of the FRTB in 2026.

As part of its 2024-2025 Corporate Plan, APRA announced that it expects ADIs to continue momentum towards FRTB readiness. APRA has issued a new APS 117 Capital Adequacy: Interest Rate Risk in the Banking Book (Advanced ADIs) (**APS 117**) to simplify the interest rate risk in the banking book (**IRRBB**) framework and reduce volatility in the IRRBB capital charge calculation. The revised APS 117 was finalised in July 2024 and commenced on 1 October 2025.

Operational risk

The CPS 230 Operational Risk Management Prudential Standard (**CPS 230**) commenced on 1 July 2025 and aims to strengthen operational risk management and operational resilience of APRA-regulated entities. CPS 230 sets out specific requirements for the management of operational risk and integrates business continuity management to ensure APRA-regulated entities are able to respond effectively to severe disruptions. CPS 230 also strengthens third-party risk management by requiring risks arising from material service providers to be appropriately managed. Transitional arrangements apply to pre-existing service provider contracts, with compliance required by the earlier of the contract renewal date or 1 July 2026.

On 10 December 2025, APRA commenced a consultation process for targeted amendments to CPS 230, proposing adjustments to better accommodate regulated entities with material arrangements involving non-traditional service providers. On 30 April 2026, APRA released the final targeted amendments, which introduce limited exemptions from specific contractual requirements in CPS 230 for material arrangements with certain categories of non-traditional service providers where contractual compliance is not practicable. These changes aim to provide targeted, administratively efficient solutions for regulated entities that maintain material arrangements with non-traditional service providers, while preserving the core objectives of operational risk management. The amendments will come into effect on 1 July 2026.

Remuneration

APRA's Prudential Standard CPS 511 Remuneration (**CPS 511**) requires boards to maintain a remuneration framework that promotes effective risk management of both financial and non-financial risks including variable downward-adjustment tools and deferral periods to address poor risk and conduct outcomes.

Governance

On 6 March 2025, APRA released a discussion paper with eight proposals to strengthen its prudential governance framework across the banking industry (including MGL as a NOHC and the Bank as an ADI) and superannuation industry (including MIML). These proposals may result in updates to prudential standards CPS 510 Governance and CPS 520 Fit and Proper, as well as superannuation prudential standards SPS 510 Governance, SPS 520 Fit and Proper and SPS 521 Conflicts of Interest. Written submissions were due 6 June 2025.

On 24 October 2025, APRA provided an update on its proposals, with further APRA engagement and consultation expected in the first half of 2026.

Other developments in Australia

In addition, there have also been a series of industry-led developments, legislative changes and other regulatory releases from regulators in the various jurisdictions in which the MBL Group operates resulting in significant regulatory change for financial institutions, the legal and practical implications of which may not yet be fully understood.

These include:

- *Australian environmental, social and governance regulation and disclosure* – The Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024 came into force on 1 January 2025. The amendments require in-scope companies, including MGL, to report certain mandatory climate-related disclosures, and consider voluntarily reporting certain sustainability-related disclosures, based on International Sustainability Standards Board (**ISSB**) equivalent standards. These include the Australian Sustainability Reporting Standard (**AASB**) S1 (General Requirements for Disclosure of Sustainability Related Financial Information) which is voluntary and the AASB S2 (Climate-related Disclosures) which is mandatory. MGL has commenced reporting for the year ended 31 March 2026 in accordance with AASB S2 (Climate-related Disclosures) and elected to adopt certain transition reliefs.

- *Australian AML-CTF reforms* – The Anti-Money Laundering and Counter-Terrorism Financing Amendment Act 2025 extended the AML-CTF regime to additional high-risk services provided by lawyers, accountants, trust and company service providers, real estate professionals, and dealers in precious metals and stones. It also modernises the regulations on virtual assets and payments technology and simplify the AML-CTF regime.

  For current AUSTRAC-regulated entities, including MGL and its subsidiaries, the majority of the reformed obligations applied from 31 March 2026. To support the reforms, AUSTRAC released the new Anti-Money Laundering and Counter-Terrorism Financing Rules 2025 (**AML-CTF Rules**) on 29 August 2025, which also came into effect on 31 March 2026, and published guidance on 16 October 2025, to help businesses understand their obligations. On 18 December 2025, AUSTRAC published guidance outlining its expectations regarding implementation of the AML-CTF reforms. Ongoing revisions to the AML-CTF Act and the AML-CTF Rules are expected to continue in line with consultation processes.

  Given the compressed timelines for the implementation of these reforms and the ability of existing reporting entities in Australia (including Australian banks and other Australian market participants) to meet these timelines, AUSTRAC has recognised that reporting entities will likely not be fully compliant in all respects with the revised AML-CTF regime by the required date and has provided its expectations for the implementation of the AML-CTF reforms. AUSTRAC have indicated that it "does not expect perfection on day one" but instead expects (among other things) that reporting entities develop and document an implementation plan which explains how the reporting entity will manage its AML-CTF risks while transitioning to meet the new obligations.

  In response to these reforms, the Macquarie Group is updating its policies, procedures and controls. Full implementation will require a multi-year implementation program, including complex technology upgrades to consumer due diligence and reporting infrastructure. Timing challenges are an industry wide issue (including for the Macquarie Group). AUSTRAC has acknowledged this in its guidance, noting that AUSTRAC does not expect immediate compliance. The AML/CTF Transitional Rules 2026 also came into effect on 31 March 2026, providing reporting entities with additional time to comply with certain new obligations, subject to the satisfaction of specified conditions. The Macquarie Group will continue to engage with AUSTRAC to support a phased implementation approach.

- *Scam prevention* – On 13 February 2025, the Scams Prevention Framework Act 2025 was passed by Parliament. The legislation amends the Competition and Consumer Act 2010 to establish a scams prevention framework that requires service providers in select sectors to take measures to combat scams involving their services. This includes documenting and implementing governance arrangements and taking reasonable steps to prevent, detect, report, disrupt and respond to scams.

  On 28 November 2025, the Australian government opened a public consultation (which closed on 5 January 2026) on a draft designation for banks, telecommunications providers, and some digital platforms as the first sectors to be regulated by mid-2026 under the scams prevention framework. The consultation also asked for feedback on how the proposed external dispute resolution arrangements will work, with the consultation including a draft authorisation of the Australian Financial Complaints Authority as the single external body to deal with complaints not resolved at the industry level. Mandatory industry codes of conduct that give practical effect to the scams prevention framework principles and that set out specific obligations for each sector will be finalised in due course. The foundational obligations of this framework are scheduled to be implemented by 30 June 2026.

- *Beneficial ownership* – On 4 December 2025, the Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Act 2025 received Royal Assent. The legislation amends the Australian Corporations Act to amend the beneficial disclosure obligations that apply to companies, registered schemes, notified foreign passport funds and other bodies, that are listed on Australia's financial markets. The changes include bringing interests arising from equity derivatives into the substantial holding and tracing notice regimes. This includes physically settleable derivatives, non-physically settleable derivatives, and offsetting short positions in certain circumstances.

  On 10 March 2026, ASIC opened a public consultation (which closed on 21 April 2026) on a proposed legislative instrument, a new substantial holding notice form, and amendments to regulatory guidance relating to the disclosure of beneficial ownership interests in listed entities.

- *Foreign financial service provider licensing* – On 8 April 2026, the Treasury Laws Amendment (Genetic Testing Protections in Life Insurance and Other Measures) Act 2026 received Royal Assent. The legislation implements three core exemptions for foreign financial service providers in respect of the need to hold an Australian Financial Service Licence in place of existing individual and transitional relief. The legislation comes into force on 8 April 2027. Certain Macquarie Group subsidiaries currently rely on transitional relief (which is set to expire in March 2027) to be able to provide financial services to Australian wholesale clients and will therefore need to transition to the new licensing exemptions.

International

The MBL Group's businesses outside Australia are subject to various regulatory regimes.

United States

U.S. financial regulators actively issue new and revised regulations, exemptive orders and interpretive guidance, which could materially affect Macquarie Group's business, financial condition and results of operations, including MGL and its U.S. subsidiaries and the representative offices of the Bank.

In the U.S., the Bank cannot conduct any banking activity, but is permitted to use its U.S. representative offices to perform limited representational and administrative functions in connection with its banking activities outside of the U.S.. The Bank's U.S. representative offices are generally limited to (i) soliciting business on behalf of the Bank, which must then be approved and booked offshore, and (ii) performing administrative tasks as directed by the Bank. They are licensed and periodically examined by the state banking regulatory authorities in which they are located (including New York and Texas), as well as examined by the regional Federal Reserve Bank under the oversight of the Board of Governors of the Federal Reserve System (the **FRB**).

The commodities and securities laws in the U.S. create a comprehensive regulatory regime for swaps and other derivatives, subject to the jurisdiction and regulations of multiple U.S. regulatory agencies, including the FRB, the Securities and Exchange Commission (the **SEC**) and the Commodity Futures Trading Commission (**CFTC**). The regulatory landscape for derivatives continues to change as new rules are adopted, implemented and enforced by the CFTC and SEC. These regulations, which vary by jurisdiction, may have a significant impact on the derivatives markets, and entities that participate in those markets.

The Bank is registered as a swap dealer with the CFTC and Macquarie Futures USA LLC (**MFUSA**) within the Banking Group is registered as a futures commission merchant with the CFTC. Macquarie Capital (USA) Inc. is registered with the National Futures Association as an introducing broker for swaps. As CFTC registrants, the Bank and MFUSA are subject to comprehensive regulatory oversight by the CFTC. In addition, the Bank is registered as a security-based swap dealer with the SEC. The CFTC and SEC continue to propose significant new or revised regulatory requirements which, if adopted, may have effects across the transaction lifecycle and apply to the Bank and its subsidiaries.

The Bank representative offices, MFUSA and Macquarie Group's securities broker-dealers and mutual funds managed or sponsored by Macquarie Group's subsidiaries, are subject to U.S. anti-money laundering (**AML**) laws. This includes regulations issued by the Treasury Department's Financial Crimes Enforcement Network (**FinCEN**) under the Bank Secrecy Act (the **Bank Secrecy Act**). The Bank Secrecy Act and similar regulations require certain types of financial institutions (including U.S. representative offices of foreign banks and U.S. futures commission merchants, securities broker-dealers and mutual funds) to establish and maintain written AML compliance programs.

The Bank representative offices and the Macquarie Group's other operations that are within or that involve the U.S. (e.g., transactions through the U.S., transfers through the U.S. financial system) must comply with the economic sanctions programs administered by the Office of Foreign Assets Control (**OFAC**) within the U.S. Department of the Treasury, which enforces economic sanctions against targeted foreign countries, individuals and entities.

The Federal Energy Regulatory Commission (**FERC**) regulates the wholesale natural gas and electricity markets in the U.S., where the Macquarie Group's North American energy trading business has a large presence. The business employs a rigorous compliance program to manage risks and monitor compliance with FERC's regulations.

United Kingdom

The Financial Conduct Authority (**FCA**) and the Prudential Regulation Authority (**PRA**) regulate financial services business in the UK, including banking, investment business, consumer credit and insurance. Dual-regulated firms, such as deposit-taking institutions, insurers and significant investment firms are overseen by the PRA for authorisation, prudential regulation and day-to-day supervision, while the FCA regulates conduct of business. The Bank operates Macquarie Bank Limited London Branch (**MBL LB**) in the UK, which is overseen by the PRA and the FCA for UK activities. However, APRA remains its prudential regulator.

European Union

The European Banking Authority (the **EBA**) implements standard rules for regulating and supervising banking and certain financial services across all European Union countries. Under the Single Supervisory Mechanism (the **SSM**), the European Central Bank (the **ECB**) is the competent authority for banking supervision across the European Union, with national competent authorities (**NCAs**) as the direct financial services regulatory authorities in each European Union member state. The ECB directly regulates "Significant Institutions", and indirectly regulates "Less Significant Institutions" (**LSIs**) through the NCAs.

International environmental, social and governance regulations

There is increased regulatory and investor scrutiny over the ESG impacts of the activities of financial groups such as the Macquarie Group, including sustainability and greenwashing risk management, particularly in the European Union and the UK.

The EU's Sustainable Finance Disclosure Regulation (EU) No. 2019/2088 (the **SFDR**) aims to standardise environmental sustainability disclosures to inform investment decisions. Macquarie Asset Management Europe S.à r.l. is subject to SFDR disclosure and periodic reporting requirements at an entity and product level, while Macquarie Capital France Société Anonyme is only subject to SFDR entity-level disclosures. On 20 November 2025, following consultation, the European Commission proposed amendments to the SFDR. The proposal introduces a product categorisation regime to replace the existing disclosure-focused regime alongside other simplifications, including the removal of entity-level disclosures and applicability to investment advice. Negotiations between European Union legislative bodies and member states are expected to conclude during 2026, with implementation expected from 2028.

Regulatory initiatives in the UK remain focused on issuers and asset managers. Macquarie Infrastructure and Real Assets (Europe) Limited and Macquarie Investment Management Europe Limited publish an annual report to comply with FCA rules on climate-related disclosures for asset managers, which align with the Taskforce on Climate-related Financial Disclosures. The FCA intends to consult in Q2 2026 on streamlining these disclosures, noting overlap with other disclosure regimes which have since been proposed or introduced.

On 28 November 2023, the FCA published final rules on the UK Sustainability Disclosure Requirements (**SDR**) and investment labels, with phased implementation from 2024-2026. Aimed primarily at asset managers and distributors, SDR seeks to prevent greenwashing and ensure consistency in sustainable product labelling. The impact on the Macquarie Group's UK asset management entities is limited due to its retail client focus and exclusion of overseas funds.

On 25 June 2025, the UK Department for Energy Security and Net Zero published a consultation paper regarding the introduction of climate-related transition plan requirements which may apply to larger UK-regulated financial institutions, including asset managers and banks. The standardisation of sustainability reporting continues to progress. The ISSB's first two sustainability reporting standards (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures) were made available for application by jurisdictions from 1 January 2024.

In the European Union, the Corporate Sustainability Reporting Directive (EU) 2022/2464 (**CSRD**) commenced in January 2023 and requires large European undertakings to report under European Sustainability Reporting Standards. The European Union has also published the related EU Corporate Sustainability Due Diligence Directive (Directive (EU) 2024/1760) (**CS3D**). Implementation of these Directives had been delayed due to ongoing work as part of an 'Omnibus' package intended to simplify obligations and impact to firms. On 26 February 2026, the Omnibus package was published in the Official Journal of the European Union amending both CSRD and CS3D. As a result of these amendments, no individual Macquarie European Union entity is expected to be in-scope of either CSRD or CS3D. CSRD or CS3D may apply to MGL in future either through a consolidated group of Macquarie entities operating in the European Union passing certain consolidated revenue and employee thresholds or where revenue thresholds are passed by MGL as the ultimate parent.

In future, Macquarie Bank Europe Designated Activity Company (**MBE**) will be required to make prudential disclosures on ESG risks as a credit institution under the revised European Union Capital Requirements Regulation framework based on regulatory technical standards published by the EBA. These are currently pending due to a 'no action' letter issued by the EBA in August 2025 recommending that national competent authorities such as the Central Bank of Ireland not prioritise the enforcement of the disclosure of information related to ESG risks under the Pillar 3 framework until the amended EBA disclosure Implementing Technical Standards are adopted and enter into force.

Other international regulators

The Bank also has branches in the Dubai International Finance Centre and Singapore, which are regulated by the Dubai Financial Services Authority and the Monetary Authority of Singapore respectively. The Bank also has a representative office in South Africa, regulated by the South African Reserve Bank; in Brazil, regulated by the Banco Central do Brasil; and in Switzerland, regulated by the Swiss Financial Markets Supervisory Authority. This gives the Bank limited authorisation to conduct marketing of its products and services to institutions, subject to local licence limitations. MBE additionally has a Milan Representative Office, regulated by the Banca d'Italia, and an Oslo Representative Office, regulated by the Financial Supervisory Authority of Norway (Finanstilsynet). These branches give MBE limited authorisation to conduct marketing of its products and services to institutions, subject to local licence limitations. Bank regulations which vary by country are generally designed to protect depositors and the banking system as a whole, not holders of a bank's securities. Bank regulations may cover areas such as capital adequacy, minimum levels of liquidity, and the conduct and marketing of banking services.

Other key financial regulators of the Macquarie Group's businesses include the Securities and Futures Commission of Hong Kong.

Financial regulation varies by country and may regulate securities offerings, mergers and acquisitions activity, commodities and futures activities, anti-trust issues, investment advice, trading and brokerage, sales practices, and the offering of investment products and services.

In addition, certain businesses and assets owned or managed by the MBL Group in international jurisdictions are subject to additional laws, regulations and oversight that are specific to the industries applicable to those businesses and assets.

As with other financial services providers, the Bank continues to face increased supervision and regulation in most of the jurisdictions in which it operates.

Further changes may occur driven by policy, prudential or political factors.

The MBL Group reviews these changes and releases, engages with government, regulators and industry bodies and amends its systems, processes and operations to align with changes and new regulatory requirements as they occur. Further information on the risk management and other policies of the MBL Group is contained in the documents incorporated by reference into this Prospectus (see "*Documents Incorporated by Reference*" on pages 15 to 16 of this Prospectus).

Directors of the Bank

As at the date of this Prospectus, the persons named below are the current Voting Directors of the Bank under the Bank's constitution and exercise the powers of directors for the purposes of the Australian Corporations Act. All members of the Board of Voting Directors of the Bank have the business address of Level 1, 1 Elizabeth Street, Sydney NSW 2000, Australia. The principal outside activities, where significant, of the Voting Directors of the Bank are set out below:

Name of Director	Position	Principal Outside Activities
Glenn R Stevens AC	Chair and Independent Non-Executive Director	Chair and Independent Non-Executive Director, Macquarie Group Limited. Board member, NSW Treasury Corporation. Director, the Anika Foundation and the Lowy Institute. Deputy Chair, Temora Aviation Museum.
Stuart D Green	Managing Director, Chief Executive Officer and Executive Voting Director	Director, Financial Markets Foundation for Children. Member, Australian Banking Association Council and Macquarie Group Foundation Committee. Member, Institute of Chartered Accountants in England and Wales (ICAEW) Australasia Strategy Advisory Group.
Shemara R Wikramanayake	Executive Voting Director	Managing Director and Chief Executive Officer, Macquarie Group Limited. Australian Government Business Champion for the Philippines. Member, Global Investors for Sustainable Development Alliance, World Bank Private Sector Investment Lab and Monetary Authority of Singapore's International Advisory Panel.
Jillian R Broadbent AC	Independent Non-Executive Director	Independent Non-Executive Director, Macquarie Group Limited.

Name of Director	Position	Principal Outside Activities
		Director, the Lowy Institute, the National Portrait Gallery Board Foundation, Seaborn, Broughton & Walford Foundation and Sydney Dance Company.
Wayne S Byres	Independent Non-Executive Director	Non-Executive Director, ASX Limited.
Philip M Coffey	Independent Non-Executive Director	Independent Non-Executive Director, Macquarie Group Limited. Director, Goodstart Early Learning Ltd.
Michelle A Hinchliffe	Independent Non-Executive Director	Independent Non-Executive Director, Macquarie Group Limited. Non-Executive Director, BHP Group Limited, Santander UK Group Holdings plc and various subsidiaries. Member, Institute of Chartered Accountants in England and Wales (ICAEW) Australasia Strategy Advisory Group.
Susan J Lloyd-Hurwitz AM	Independent Non-Executive Director	Independent Non-Executive Director, Macquarie Group Limited. Non-Executive Director of Rio Tinto. Chair, the Australian National Housing Supply & Affordability Council, the Australian Centre for Gender Equality, the Inclusion @ Work Advisory Board and Senate Building and Estates Committee. Global Board member, INSEAD. Fellow, University of Sydney Senate.
Rebecca J McGrath AM	Independent Non-Executive Director	Independent Non-Executive Director, Macquarie Group Limited. Non-Executive Director, Djerriwarrh Investments Limited, Investa Office Management Holdings Pty Limited, UniSuper and Melbourne Business School. Chair, Investa Wholesale Funds Management Limited. Member, ASIC Corporate Governance Consultative Panel, and The Australian British Chamber of Commerce Advisory Council.

Name of Director	Position	Principal Outside Activities
Mike Roche	Independent Non-Executive Director	Independent Non-Executive Director, Macquarie Group Limited. Non-Executive Director, Wesfarmers Limited and MaxCap Group Pty Ltd. Managing Director, M R Advisory Pty Ltd. Co-founder and Director, Sally Foundation.
Ian M Saines	Independent Non-Executive Director	Director, Catholic Schools of Broken Bay Limited and Non-Executive Director, NSW Treasury Corporation. Deputy Chair, United States Studies Centre.
David JK Whiteing	Independent Non-Executive Director	Non-Executive Director, Suncorp Group Limited and Silicon Quantum Computing Pty Ltd.

Board Committees

The Bank has established the following Board Committees:

- Board Audit Committee (**BAC**);
- Board Risk Committee (**BRiC**);
- Board Remuneration Committee (**BRC**);
- Board Governance and Compliance Committee (**BGCC**); and
- Board Conflicts Committee (**BCC**).

The BAC assists the Board with its oversight of the quality and integrity of the accounting, auditing and financial reporting of the Banking Group. The BAC also reviews the adequacy of the Banking Group's control framework for financial regulatory reporting to prudential regulators and monitors the internal financial control environment. The BAC monitors the effectiveness, objectivity and independence of the external auditor. The BAC reviews reports from the external auditor and Internal Audit, referring matters relating to the duties and responsibilities of the BRiC and BGCC to the appropriate Board Committee.

The BRiC assists the Board by providing oversight of the Macquarie Group's risk management framework, as it relates to the Banking Group, and advising the Board on the Banking Group's risk appetite, risk culture and risk management strategy. Except to the extent another Board Committee is responsible, the BRiC receives information on material risks and reviews the impact of developments in markets in which the Bank operates on its risk position and profile. The BRiC monitors the Banking Group's risk culture and, with assistance from the BGCC, conduct risk, and forms a view on the Banking Group's risk culture and the extent to which it supports the ability of the Bank to operate consistently within its risk appetite.

The BRC assists the Board with overseeing the design, operation and monitoring of the Bank's remuneration framework. It makes recommendations to the Board that promote appropriate remuneration policies and practices for the Banking Group. The BRC reviews Human Resources related reports and consults with the BRiC, BGCC and BAC to ensure risk outcomes are appropriately reflected in remuneration outcomes. The BRC is also responsible for remuneration related disclosures in the Bank's remuneration report.

The BGCC assists the Board in monitoring corporate governance, regulatory, legal, compliance and financial crime risk matters for the Banking Group, including reviewing and monitoring compliance with the Macquarie Group's Conduct Risk Management Framework and its implementation. In addition, the BGCC reviews and monitors the Macquarie Group's work health and safety risk management policies, customer and client reporting

and environmental and social risk management policies, practices and performance, from the perspective of the Banking Group. The BRiC, BRC and BAC also oversee aspects of the regulatory, legal and compliance risk matters for the Banking Group relating to their duties and responsibilities.

The BCC assists the Board by considering and making recommendations regarding matters or decisions where the interests of the Bank or the Banking Group potentially or actually conflict with those of MGL or any of MGL's subsidiaries (other than a member of the Banking Group) and those matters or decisions are material to the Banking Group.

Director Independence

The Charter of the Board of Voting Directors (**Directors**) of the Bank requires that the Chair of the Bank, each Bank-only Non-Executive Director (a Non-Executive Director who is not also on the MGL Board nor a director of a MGL subsidiary, other than a subsidiary of the MBL Group) and a majority of the Bank Board must be independent Directors. The Board believes that independence is evidenced by an ability to constructively challenge and independently contribute to the work of the Board.

A Director will be considered independent if they are free of any interests, positions or relationships that could materially interfere with the Director's capacity to bring independent judgement on matters before the Board and act in the best interests of the Bank.

It is also the policy of the Board that a majority of the members of each Board Committee should be independent Directors, that the BAC will comprise only of independent Directors and that each Board Committee be chaired by an independent Director.

The independence of each Non-Executive Director (**NED**) is considered prior to appointment and then considered annually by the BGCC and confirmed by the Board. As part of the review process, each NED is provided with a copy of the Bank Director Independence policy and asked to declare whether they have any interests, positions or relationships that could materially interfere with the Director's capacity to act in the best interests of the Bank. Each NED is also asked to provide information regarding relationships with MGL, including relationships or close personal ties with the Bank, for review by the BGCC.

In considering the independence of Directors, the BGCC and the Board will have regard to whether or not the Director:

1. is, or has been employed in an executive capacity by MGL or another member of the Macquarie Group and there has not been a period of at least three years between ceasing such employment and serving on the Board;

2. receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, MGL or the Bank;

3. is, or has been within the last three years, in a material business or contractual relationship (e.g. as a supplier, professional adviser, consultant or customer), other than as a Director, with MGL or another member of the Macquarie Group, or is an officer of, or otherwise associated with, someone with such a relationship;

4. is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial shareholder of MGL;

5. is, or has within the last three years, been affiliated with or employed by a present or former external auditor of MGL, the Bank or another member of the Macquarie Group;

6. has close personal ties with any person who falls within any of the categories described above; or

7. has been a Director of the Bank for such a period that their independence from management and substantial holders may have been compromised.

In each case, the materiality of the interest, position or relationship needs to be assessed by the Board to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Bank as a whole rather than in the interests of an individual security holder or other party.

The Bank's ten Non-Executive Directors, being Glenn R Stevens, Jillian R Broadbent, Wayne S Byres, Philip M Coffey, Michelle A Hinchliffe, Susan J Lloyd-Hurwitz, Rebecca J McGrath, Mike Roche, Ian M Saines and David JK Whiteing, are each considered to be independent.

Dealing with potential conflicts of interest

The Bank recognises that conflicts of interest or potential conflicts of interest or duty may arise from time to time for its Directors. The Bank has in place procedures to assist Directors with detecting and dealing with such conflicts.

The Board has protocols for its members for disclosing and dealing with potential conflicts of interest that include:

- Board members disclosing their interests pursuant to the Australian Corporations Act, the ASX Listing Rules and general law requirements;
- Board members with a material personal interest in a matter to be considered by the Board not receiving the relevant Board paper and not being present at the Board meeting during the consideration of the matter and subsequent vote, unless the Board (excluding the relevant Board member) resolves otherwise; and
- as a general rule, Board members with actual or potential conflicts arising from an external appointment to another company outside of the Macquarie Group should not receive the relevant Board paper nor be present at the Board meeting during consideration of the matter.

As at the date of this Prospectus, and having regard to the above criteria, requirements and procedures utilised by the Bank to detect and manage conflicts of interest and to restrict participation where a conflict arises, there are:

- no actual conflicts of interest; and
- no potential conflicts of interest, other than in respect of any dealings between the Bank and any of the companies listed above under "Principal Outside Activities" which may arise in the future and will be managed in accordance with the above requirements and procedures,

between duties owed to the Bank and dischargeable by members of its Board of Voting Directors listed above and their private interests and/or other duties.

As noted above, all Directors are required to disclose any conflict or potential conflict of interest on an on-going basis. In respect of conflicts or potential conflicts of interest that may arise in the future, the Bank will manage those conflicts in accordance with the Australian Corporations Act, any other applicable law and the other requirements and procedures referred to above.

FINANCIAL STATEMENTS OF MACQUARIE BANK LIMITED

The additional financial information on pages 213 to 214 of this Prospectus has been extracted from the audited financial statements contained in the 2026 Annual Report of Macquarie Bank and Macquarie Bank consolidated with its subsidiaries as at and for the financial year ended 31 March 2026.

Macquarie Bank is required to prepare annual financial statements for itself and itself consolidated with its subsidiaries in accordance with Australian Accounting Standards. Compliance with Australian Accounting Standards ensures compliance with International Financial Reporting Standards.

The independent auditor of Macquarie Bank is PricewaterhouseCoopers, an Australian partnership (**PwC Australia**).

PwC Australia has audited the financial statements included in Macquarie Bank's Annual Report as at and for each of the financial years ended 31 March 2025 and 31 March 2026 in accordance with Australian Auditing Standards. The Independent Auditor's Reports each dated 9 May 2025 and 8 May 2026 were unqualified.

Limitation on Auditor's Liability

PwC Australia may be able to assert a limitation of liability with respect to claims arising out of its audit report or included in the documents identified under "*Documents Incorporated by Reference*" on pages 15 to 16 of this Prospectus, and elsewhere in this Prospectus, to the extent it is subject to the limitations under the Chartered Accountants Australia and New Zealand Professional Standards Scheme (NSW) (the **Accountants Scheme**) approved by the New South Wales Professional Standards Council or such other applicable scheme approved pursuant to the Professional Standards Act of 1994 of New South Wales, Australia (the **Professional Standards Act**). The Professional Standards Act and the Accountants Scheme may limit the liability of PwC Australia for damages with respect to certain civil claims arising in, or governed by the laws of, New South Wales directly or vicariously from anything done or omitted in the performance of their professional services to the Macquarie Group, including, without limitation, their audits of the Macquarie Group's financial statements. As at the date of this Prospectus, PwC Australia's maximum liability under the Accountants Scheme is capped at an amount that depends upon the type of service and the applicable engagement fee for that service, with the lowest such liability cap set at A$2 million (where the claim arises from a service in respect of which the fee is less than A$100,000) and may be up to A$75 million for audit work (where the claim arises from an audit service in respect of which the fee is greater than A$2.5 million or more). The limit does not apply to claims for breach of trust, fraud or dishonesty.

The Professional Standards Act and the Accountants Scheme have not been subject to extensive judicial consideration and, therefore, how the limitations will be applied by courts and the effect of the limitations on the enforcement of foreign judgments is untested.

Macquarie Bank Limited and Macquarie Bank Limited and its subsidiaries
Income Statements for each of the financial years ended 31 March 2026 and 31 March 2025

	Consolidated 2026 A$m	Consolidated 2025 A$m	**Bank 2026 A$m**	Bank 2025 A$m
Interest income	**15,534**	15,185	**15,217**	14,852
Interest expense	**(12,042)**	(11,954)	**(11,926)**	(11,765)
Net interest income	**3,492**	3,231	**3,291**	3,087
Net trading income	**4,413**	5,025	**3,413**	3,204
Net interest and trading income	**7,905**	8,256	**6,704**	6,291
Fee and commission income	**3,143**	2,610	**1,293**	939
Net investment income[6]	**3,859**	688	**4,866**	1,208
Net credit impairment charges	**(291)**	(110)	**(246)**	(70)
Net other impairment (charges)/reversals	**(67)**	(40)	**1**	13
Net other operating income	**546**	516	**240**	346
Net operating income	**15,095**	11,920	**12,858**	8,727
Employment expenses	**(5,060)**	(4,811)	**(1,650)**	(1,411)
Brokerage, commission and fee expenses	**(777)**	(644)	**(725)**	(539)
Non-salary technology expenses	**(1,005)**	(961)	**(308)**	(219)
Other operating expenses	**(1,152)**	(1,063)	**(3,063)**	(2,828)
Total operating expenses	**(7,994)**	(7,479)	**(5,746)**	(4,997)
Operating profit before income tax	**7,101**	4,441	**7,112**	3,730
Income tax expense	**(1,090)**	(996)	**(652)**	(627)
Profit after income tax	**6,011**	3,445	**6,460**	3,103
Profit attributable to the ordinary equity holder of Macquarie Bank Limited	**6,011**	3,445	**6,460**	3,103

[6] Where necessary, the comparative information for the financial year ended 31 March 2025 has been re-presented to conform to changes in presentation for the financial year ended 31 March 2026, including the re-presentation of 'Net investment income' which was previously included within 'Net other operating income'. See paragraph (xxviii) in Note 41 to the Financial Statements set out in the 2026 Annual Report which is incorporated by reference into this Prospectus.

Macquarie Bank Limited and Macquarie Bank Limited and its subsidiaries
Statements of Financial Position as at 31 March 2026 and 31 March 2025

	Consolidated 2026 A$m	Consolidated 2025 A$m	**Bank 2026 A$m**	Bank 2025 A$m
Assets				
Cash and bank balances	**19,607**	22,269	**15,819**	20,100
Cash collateralised lending and reverse repurchase agreements	**77,339**	60,165	**74,458**	57,341
Trading assets	**38,158**	29,729	**37,352**	28,703
Margin money and settlement assets	**18,895**	20,072	**16,320**	15,973
Derivative assets	**42,248**	23,936	**37,645**	21,223
Financial investments	**23,646**	17,057	**23,290**	16,900
Other assets	**7,309**	7,226	**4,412**	4,298
Loan assets	**226,211**	181,386	**220,581**	178,994
Due from subsidiaries	**-**	-	**14,945**	6,130
Due from other Macquarie Group entities	**4,819**	6,297	**3,712**	5,398
Property, plant and equipment and right-of-use assets	**3,696**	5,989	**2,174**	4,213
Investments in subsidiaries	**-**	-	**4,192**	4,122
Deferred tax assets	**1,153**	1,095	**653**	520
Total assets	**463,081**	375,221	**455,553**	363,915
Liabilities				
Deposits	**221,547**	177,671	**220,385**	176,043
Cash collateralised borrowing and repurchase agreements	**6,819**	4,692	**6,221**	4,690
Trading liabilities	**12,294**	5,753	**12,294**	5,558
Margin money and settlement liabilities	**27,662**	23,610	**25,019**	20,552
Derivative liabilities	**36,347**	23,184	**31,374**	21,183
Other liabilities	**10,112**	9,894	**7,305**	6,258
Due to subsidiaries	**-**	-	**21,400**	19,453
Due to other Macquarie Group entities	**15,045**	9,065	**12,654**	8,433
Issue debt securities and other borrowings	**94,599**	85,804	**80,463**	67,006
Deferred tax liabilities	**8**	21	**-**	22
Total liabilities excluding loan capital	**424,433**	339,694	**417,115**	329,198
Loan capital	**14,068**	12,540	**14,064**	12,540
Total liabilities	**438,501**	352,234	**431,179**	341,738
Net assets	**24,580**	22,987	**24,374**	22,177
Equity				
Contributed equity	**10,264**	10,192	**10,085**	10,024
Reserves	**720**	1,616	**155**	928
Retained earnings	**13,596**	11,179	**14,134**	11,225
Total capital and reserves attributable to the ordinary equity holder of Macquarie Bank Limited	24,580	22,987	**24,374**	22,177
Total equity	24,580	22,987	**24,374**	22,177

THE MBL COVERED BOND TRUST

The MBL Covered Bond Trust (Trust) is a special purpose trust established by the Establishment Deed under the law of New South Wales, Australia on 5 June 2015. Perpetual Limited is the trustee of the Trust (in such capacity, the Covered Bond Guarantor).

The Covered Bond Guarantor's principal office is at Level 14, 123 Pitt Street, Sydney NSW 2000, Australia. The telephone number of the Covered Bond Guarantor's principal office is +61 2 9229 9000.

The Covered Bond Guarantor is dependent on the Trust Manager and the Servicer (amongst others) to provide certain management and administrative services to it, on the terms of the Establishment Deed and the other Programme Documents.

The principal activities of the Trust are set out in the Establishment Deed and include the acquisition, management and sale of, amongst other things, Mortgage Loan Rights, the borrowing of moneys to fund the acquisition of such assets, the hedging of risks associated with such assets and such funding, the acquisition, management and sale of Substitution Assets and Authorised Investments, the giving of guarantees in respect of the Covered Bonds (including the Covered Bond Guarantee), the granting of security to secure repayment of any Covered Bonds and other liabilities and any purpose which is ancillary or incidental to the activities set out above. The Assets of the Trust comprise principally Mortgage Loan Rights, Substitution Assets, Authorised Investments, Trust Accounts and rights of the Covered Bond Guarantor under the Programme Documents.

The Trust has not engaged since its establishment, and will not engage whilst the Covered Bonds or the Term Advances remain outstanding, in any material activities other than activities incidental to its establishment, activities contemplated under the Programme Documents to which the Covered Bond Guarantor is or will be a party and other matters which are incidental or ancillary to the foregoing.

Unitholders

The Income Unitholder of the Trust as at the date of this Prospectus is the Bank.

The Capital Unitholder of the Trust as at the date of this Prospectus is the Bank.

Covered Bond Guarantor

On 9 January 2006, Perpetual Trustees Australia Limited changed its name to Perpetual Limited. Perpetual Limited ABN 86 000 431 827 (**Perpetual Limited**) was incorporated on 31 July 1963. The registered office of Perpetual Limited is at Level 14, 123 Pitt Street, Sydney, NSW, Australia. Perpetual Limited was incorporated as, and continues to operate as, a limited liability company under the Australian Corporations Act. Perpetual Limited is listed on the ASX and its shares are quoted on that exchange.

The principal activities of Perpetual Limited are the provision of trustee and other commercial services. Perpetual Trustee Company Limited ABN 42 000 001 007 has obtained an Australian financial services licence under Part 7.6 of the Australian Corporations Act (Australian Financial Services Licence number 236643) and has appointed Perpetual Limited to act as its authorised representative under that licence (authorised representative number 264842).

The name and function of each of the Directors of Perpetual Limited are listed below. Unless otherwise stated, the business address of each Director is Level 14, 123 Pitt Street, Sydney NSW 2000 Australia.

- Gregory Cooper, Chairman;
- Fiona Trafford-Walker, Director;
- Mona Aboelnaga Kanaan, Director;
- Christopher Jones, Director;
- Phil Wagstaff, Director;
- Bernard Reilly, Director; and

- Paul Ruiz, Director.

As at the date of this Prospectus, no potential conflicts or conflicts of interest exist between any duties owed to the Covered Bond Guarantor by the members of its Board of Directors listed above and their private interests and/or other duties in respect of their management roles.

Perceived and actual conflicts of interest for Perpetual Limited and its Directors are assessed and managed in accordance with the Perpetual Limited Conflicts Management Framework.

Trust Manager

At the date of this Prospectus, the Trust Manager is Macquarie Securitisation Limited ABN 16 003 297 336. The registered office of the Trust Manager is Level 1, 1 Elizabeth Street, Sydney NSW 2000, Australia.

Pursuant to the Establishment Deed, the Trust Manager will act as manager of the Trust and will provide certain administrative services required by the Covered Bond Guarantor pursuant to the Programme Documents. As compensation for the performance of the Trust Manager's obligations under the Programme Documents and as reimbursement for its related expenses, the Trust Manager will be entitled to a fee, which will be paid in accordance with the applicable Priority of Payments.

Directors

The directors of Macquarie Securitisation Limited, the business address of each of whom should be regarded for the purposes of this Prospectus as being Level 1, 1 Elizabeth Street, Sydney NSW 2000, Australia and their principal outside activities, where significant, are as follows:

Andrew Hall

Mr Hall is an Executive Director and the Head of Banking Product and BFS Treasury at the Bank. He is a director of the following other Macquarie Group company:

Macquarie Leasing Pty Ltd

Paul Gillespie

Mr Gillespie is an Executive Director and Head of BFS Treasury at the Bank. He is a director of the following other Macquarie Group companies:

Macquarie (Bermuda) Limited
Macquarie Leasing Pty Ltd

Caroline Fox

Ms Fox is an Executive Director and Head of Home Lending at the Bank. She is a director of the following other Macquarie Group company:

Macquarie Leasing Pty Ltd

Ms Fox is an alternate director of Macquarie (Bermuda) Limited.

As at the date of this Prospectus, no potential conflicts or conflicts of interest exist between any duties owed to Macquarie Securitisation Limited by the members of its Board of Directors listed above and their private interests and/or other duties in respect of their management roles.

Delegation by the Trust Manager

The Trust Manager may, in performing its functions under the Establishment Deed and the other Programme Documents, delegate to any service provider the performance of any of its functions and appoint any person to be delegate or sub-delegate, in each case subject to and in accordance with the provisions of the Establishment Deed and the Management Agreement, as the case may be.

OVERVIEW OF THE PRINCIPAL DOCUMENTS

Bond Trust Deed

The Bond Trust Deed, entered into between the Issuer, the Trust Manager, the Covered Bond Guarantor and the Bond Trustee, is the principal agreement governing the Covered Bonds.

The Bond Trust Deed contains provisions relating to the:

(a) constitution of the Covered Bonds and the terms and conditions of the Covered Bonds (as set out under the section "*Terms and Conditions of the Covered Bonds*" in this Prospectus);

(b) covenants of the Issuer and the Covered Bond Guarantor;

(c) terms of the Covered Bond Guarantee (as described below);

(d) enforcement procedures relating to the Covered Bonds and the Covered Bond Guarantee; and

(e) appointment, powers and responsibilities of the Bond Trustee and the circumstances in which the Bond Trustee may resign, retire or be removed.

The Bond Trust Deed (other than certain provisions of the Bond Trust Deed under which the Issuer covenants to the Bond Trustee to repay principal and to pay interest in respect of the Covered Bonds (but only, in respect of such provisions, to the extent they relate to any A$ Registered Covered Bonds)), certain provisions of the Bond Trust Deed constituting the A$ Registered Covered Bonds and certain provisions of the Bond Trust Deed limiting recourse to the Covered Bond Guarantor and the Security Trustee) and any non-contractual obligations arising out of or in connection with it are governed by English law. Those provisions of the Bond Trust Deed noted above which are not governed by English law, are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia.

The Covered Bond Guarantee

The Covered Bond Guarantee

The Covered Bond Guarantor has guaranteed to the Bond Trustee, for the benefit of Covered Bondholders, the prompt performance by the Issuer of its obligations to pay the Guaranteed Amounts.

Following the occurrence of an Issuer Event of Default and the service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer (copied to the Covered Bond Guarantor) and a Notice to Pay on the Covered Bond Guarantor (copied to the Trust Manager and the Security Trustee), the Covered Bond Guarantor must, as principal obligor, pay or procure to be paid on each Scheduled Payment Date (or on such later date provided for in the Bond Trust Deed) irrevocably and unconditionally to or to the order of the Bond Trustee (for the benefit of the Covered Bondholders), an amount equal to those Guaranteed Amounts or that portion of the Guaranteed Amounts which have become Due for Payment in accordance with the terms of the Bond Trust Deed (or which would have become Due for Payment but for any variation, release or discharge of the Guaranteed Amounts) but which have not been paid by the Issuer to the relevant Covered Bondholder and/or Couponholders on the relevant date for payment, provided that no Notice to Pay may be so served on the Covered Bond Guarantor until an Issuer Acceleration Notice has been served by the Bond Trustee on the Issuer.

Following the occurrence of a Covered Bond Guarantor Event of Default and the service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice on the Issuer and the Covered Bond Guarantor (copied to the Trust Manager), in respect of the Covered Bonds of each Series which have become immediately due and repayable (or which would have become Due for Payment but for any variation, release or discharge of the Guaranteed Amounts), the Covered Bond Guarantor must, as principal obligor, pay or procure to be paid to or to the order of the Bond Trustee (for the benefit of itself and the Covered Bondholders) in the manner described in the Bond Trust Deed) the Guaranteed Amounts in respect of each Covered Bond corresponding to the Early Redemption Amount for that Covered Bond plus (to the extent not included in the Early Redemption Amount) all accrued and unpaid interest and all other amounts payable (or which would have been payable but for any variation, release or discharge of the Guaranteed Amounts).

Subject to the grace period specified in Condition 9.2(a), failure by the Covered Bond Guarantor to pay the Guaranteed Amounts when Due for Payment will constitute a Covered Bond Guarantor Event of Default.

Covered Bond Guarantor not obliged to pay additional amounts

All payments of Guaranteed Amounts by or on behalf of the Covered Bond Guarantor will be made without withholding or deduction for, or on account of, any present or future tax, duties, assessment or other governmental charges of whatever nature, imposed or levied by or on behalf of Australia or any political sub-division thereof or by any authority therein or thereof having power to tax, unless such withholding or deduction is required by law or regulation or administrative practice of any jurisdiction. If any such withholding or deduction is required, the Covered Bond Guarantor must pay the Guaranteed Amounts net of such withholding or deduction and must account to the appropriate Tax Authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any additional amount to the Bond Trustee or any holder of Covered Bonds and/or Coupons in respect of the amount of such withholding or deduction.

See "*Tax Considerations*" for further information.

Guarantor and Covered Bond Guarantor as principal debtor and not merely as surety

The Covered Bond Guarantor has agreed that its obligations under the Covered Bond Guarantee will be:

(a) as if it were principal debtor and not merely as surety or guarantor and will be absolute; and

(b) (following service of an Issuer Acceleration Notice and Notice to Pay or a Covered Bond Guarantee Acceleration Notice) unconditional; and

(c) irrespective of, and unaffected by, any invalidity, irregularity, illegality or unenforceability of, or defect in, any provisions of the Bond Trust Deed or any other Programme Document, or in the absence of any action to enforce the same or the waiver, modification or consent by the Bond Trustee, any of the Covered Bondholders or Couponholders in respect of any provisions of the same or the obtaining of any judgment or decree against the Issuer or any action to enforce the same or any other circumstances which might otherwise constitute a legal or equitable discharge or defence of a guarantor,

and the Covered Bond Guarantee will not be discharged nor shall the liability of the Covered Bond Guarantor under the Bond Trust Deed be affected by any act, thing or omission or means whatsoever whereby its liability would not have been discharged if it had been the principal debtor.

Excess Proceeds

Following the occurrence of an Issuer Event of Default and the delivery of the Issuer Acceleration Notice and Notice to Pay, any Excess Proceeds must be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor, as soon as practicable, and must be held by the Covered Bond Guarantor in the GIC Account, and the Excess Proceeds will thereafter form part of the Secured Property and must be used by the Covered Bond Guarantor in the same manner as all other moneys from time to time standing to the credit of the GIC Account pursuant to the Security Deed and the Establishment Deed. Any Excess Proceeds received by the Bond Trustee and held by it or under its control will discharge *pro tanto* the obligations of the Issuer in respect of the Covered Bonds and Coupons (as applicable and to the extent of the amount so received and subject to restitution of the same if such Excess Proceeds are to be required to be repaid by the Covered Bond Guarantor) (but will be deemed not to have so discharged the Issuer's obligations for the purposes of subrogation rights of the Covered Bond Guarantor contemplated by the Covered Bond Guarantee and the Bond Trust Deed). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration Notice and Notice to Pay or, if earlier, service of a Covered Bond Guarantee Acceleration Notice) unconditional and irrevocable, and the receipt by, or on behalf of, the Bond Trustee of any Excess Proceeds will not reduce or discharge any such obligations.

By subscribing for Covered Bonds, each Covered Bondholder will be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner described above.

For the avoidance of doubt, any payments by the Covered Bond Guarantor to the Covered Bondholders out of the Excess Proceeds will reduce the Guaranteed Amounts *pro tanto*.

Intercompany Loan Agreement

Under the Intercompany Loan Agreement, the Intercompany Loan Provider has agreed to make available to the Covered Bond Guarantor a multi-currency credit facility under which the Intercompany Loan Provider may make Term Advances to the Covered Bond Guarantor.

On each Issue Date, the Intercompany Loan Provider will make a Term Advance to the Covered Bond Guarantor in an amount equal to either (i) if a Non-Forward Starting Covered Bond Swap is entered into on the relevant Issue Date, the Principal Amount Outstanding on the Issue Date of the relevant Series or, as applicable, Tranche of Covered Bonds in the Specified Currency of the relevant Series or Tranche of Covered Bonds or (ii) if a Forward Starting Covered Bond Swap is entered into on the relevant Issue Date, the Australian Dollar Equivalent of the Principal Amount Outstanding on the Issue Date of the relevant Series or, as applicable, Tranche of Covered Bonds, and for a matching term. The Covered Bond Guarantor may only use the proceeds of the Term Advances received under the Intercompany Loan Agreement from time to time (if not denominated in Australian Dollars, upon exchange into Australian Dollars under the applicable Covered Bond Swap): (i) to fund (in whole or in part) the Consideration for any Mortgage Loan Rights to be acquired from a Seller in accordance with the terms of the Mortgage Sale Agreement; and/or (ii) acting in accordance with the Establishment Deed, to invest in Substitution Assets in an amount not exceeding the prescribed limit, to the extent required to meet the Asset Coverage Test; and thereafter or otherwise the Covered Bond Guarantor may use such proceeds (if not denominated in Australian Dollars, upon exchange into Australian Dollars under the applicable Covered Bond Swap) (subject to complying with the Asset Coverage Test): (A) if an existing Series or Tranche or part of an existing Series or Tranche of Covered Bonds is being refinanced by the issue of a further Series or Tranche of Covered Bonds to which the Term Advance relates, to repay the Term Advance(s) corresponding to the Covered Bonds being so refinanced (after exchange into the currency of the Term Advance(s) being repaid, if necessary); and/or (B) to make a repayment of the Demand Loan, provided that the Trust Manager has determined the outstanding balance of the Demand Loan by calculating the Asset Coverage Test as at the Intercompany Loan Drawdown Date having taken into account such repayment and the Trust Manager has confirmed that the Asset Coverage Test will continue to be met after giving effect to such repayment; and/or (C) subject to the terms of the Establishment Deed, to make a deposit of all or part of the proceeds into the GIC Account (including, without limitation, to fund the Reserve Fund).

The Issuer will not be relying on repayment of any Term Advance in order to meet its repayment obligations under the Covered Bonds. The Covered Bond Guarantor (acting on the instructions of the Trust Manager) will pay amounts due in respect of Term Advances in accordance with the Intercompany Loan Agreement and the relevant Priority of Payments. Prior to the service of a Notice to Pay on the Covered Bond Guarantor or the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, amounts due in respect of each Term Advance will be paid by the Covered Bond Guarantor to, or as directed by, the Intercompany Loan Provider on each Intercompany Loan Interest Payment Date, subject to paying all higher ranking amounts in the Pre-Acceleration Income Priority of Payments or, as applicable, the Pre-Acceleration Principal Priority of Payments. Any failure by the Covered Bond Guarantor to pay any amounts due on the Term Advances will not affect the liability of the Issuer to pay the relevant amount due on the Covered Bonds.

Any amounts owing by the Intercompany Loan Provider (as Issuer of a particular Tranche or Series of Covered Bonds) to the Covered Bond Guarantor in respect of amounts paid by the Covered Bond Guarantor under the Covered Bond Guarantee in relation to the particular Covered Bonds or the purchase of the particular Covered Bonds by the Covered Bond Guarantor, as applicable, will be set-off automatically (and without any action being required by the Covered Bond Guarantor, the Trust Manager, the Intercompany Loan Provider, the Demand Loan Provider or the Security Trustee) against any amounts payable by the Covered Bond Guarantor under the Intercompany Loan Agreement in relation to the Term Advance corresponding to the relevant Covered Bonds (and, in accordance with paragraph (d) below, against any amounts payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement). The amount set-off will be the amount of the relevant payment made by the Covered Bond Guarantor under the Covered Bond Guarantee in relation to the relevant Covered Bonds (or the Australian Dollar Equivalent of such amount if the related Term Advance is denominated in Australian Dollars and the relevant Covered Bonds are not denominated in Australian Dollars) or the Principal Amount Outstanding of any relevant Covered Bonds purchased or otherwise acquired and cancelled in accordance with Condition 5.8 (or the Australian Dollar Equivalent of such amount if the related Term Advance is denominated in Australian Dollars and the relevant Covered Bonds are not denominated in Australian Dollars), as applicable, which amount must be applied to reduce amounts payable under the Intercompany Loan Agreement in relation to the Term Advance corresponding to the relevant Covered Bonds (and, in accordance with paragraph (d) below, against any amounts payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement) in the following order of priority:

(a) *first*, to reduce and discharge interest (including accrued interest) due and unpaid on the outstanding principal balance of such Term Advance;

(b) *second*, to reduce and discharge the outstanding principal balance of such Term Advance;

(c) *third*, to reduce and discharge any other amounts due and payable by the Covered Bond Guarantor to the Intercompany Loan Provider under the Intercompany Loan Agreement; and

(d) *fourth*, to reduce and discharge amounts due and payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement (see below).

The Intercompany Loan Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Demand Loan Agreement

Under the Demand Loan Agreement, the Demand Loan Provider has agreed to make available to the Covered Bond Guarantor an Australian Dollar revolving credit facility under which the Demand Loan Provider may make Demand Loan Advances to the Covered Bond Guarantor. Each Demand Loan Advance will be denominated in Australian Dollars. The interest rate on the Demand Loan will be equal to the 30 day Bank Bill Rate plus a spread to be determined by the Demand Loan Provider. The balance of the Demand Loan will fluctuate over time, as described below.

The proceeds of each Demand Loan Advance may only be used by the Covered Bond Guarantor: (a) to fund the Consideration (in whole or part) for the acquisition of Mortgage Loan Rights from a Seller on a Closing Date where the aggregate of the proceeds of a Term Advance (if any) made on that date and/or (subject to paragraph (c) of the Pre-Acceleration Principal Priority of Payments as set out in the section "*Cashflows*" in this Prospectus) any Available Principal Amount available to acquire Mortgage Loan Rights is not sufficient to pay the Consideration for the relevant Mortgage Loan Rights to be acquired; (b) to repay a Term Advance on the date on which the Series of Covered Bonds corresponding to such Term Advance matures (subject to paragraph (f) of the Pre-Acceleration Principal Priority of Payments as set out in the section "*Cashflows*" in this Prospectus); (c) to rectify a failure to meet the Asset Coverage Test; (d) to rectify a breach of the Pre-Maturity Test; (e) to rectify an Interest Rate Shortfall; (f) to make a deposit to the Reserve Fund in accordance with the Demand Loan Agreement; or (g) for any other purpose whatsoever as may be agreed from time to time between the Covered Bond Guarantor (acting on the directions of the Trust Manager) and the Demand Loan Provider.

At any time prior to an Issuer Event of Default and provided the relevant conditions precedent have been satisfied, the Trust Manager may direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, re-borrow any amount of the Demand Loan repaid by the Covered Bond Guarantor in accordance with the Demand Loan Agreement and the relevant Priority of Payments. Unless otherwise agreed by the Demand Loan Provider, no further Demand Loan Advances will be made to the Covered Bond Guarantor under the Demand Loan Facility following an Issuer Event of Default or Covered Bond Guarantor Event of Default.

Senior Demand Loan Component and Junior Demand Loan Component

The Demand Loan is notionally comprised of two separate tranches, a Senior Demand Loan Component and a Junior Demand Loan Component (each as defined below).

If the Issuer has determined that a Regulatory Event has occurred or is likely to occur and the Issuer has so notified the Covered Bond Guarantor and the Trust Manager, then:

(a) the **Senior Demand Loan Component** will be the amount by which the principal amount of the Demand Loan then outstanding is greater than the principal amount of the Demand Loan which is required to satisfy the Asset Coverage Test. If there is no such excess then the Senior Demand Loan Component is equal to zero. In effect, the Senior Demand Loan Component represents the voluntary over-collateralisation in the Trust over and above the over-collateralisation that is required to satisfy the Asset Coverage Test; and

(b) the **Junior Demand Loan Component** will be equal to the principal amount of the Demand Loan then outstanding less the Senior Demand Loan Component. In effect, the Junior Demand Loan Component represents the over-collateralisation that is required to satisfy the Asset Coverage Test.

There is no Senior Demand Loan Component unless the Issuer has made the determination described above and has notified the Covered Bond Guarantor and Trust Manager accordingly.

Repayment of the Demand Loan

The Covered Bond Guarantor must repay or otherwise satisfy the principal amount of the Demand Loan in accordance with the applicable Priority of Payments and the terms of the Demand Loan Agreement and the Establishment Deed.

The Covered Bond Guarantor must repay the Demand Loan in the following circumstances:

(a) by way of set-off by application of the proceeds of any Term Advance as described in "Intercompany Loan Agreement" above;

(b) following the Demand Loan Provider requesting repayment of all or part of the Demand Loan in the manner described in "Repayment following a demand by the Demand Loan Provider" below;

(c) after the service of a Covered Bond Guarantee Acceleration Notice in accordance with the Post-Enforcement Priority of Payments; and

(d) after the Covered Bonds of each Series and Tranche have been repaid in full and the Issuer has confirmed to the Trust Manager that no additional Covered Bonds will be issued under the Programme Documents in accordance with the applicable Priority of Payments.

Repayment following a demand by the Demand Loan Provider

The principal amount outstanding of the Demand Loan (or relevant part of it) will be repaid or otherwise satisfied by the Covered Bond Guarantor on the Distribution Date which falls immediately after a demand is made by the Demand Loan Provider to the Covered Bond Guarantor unless on such day: (i) the Asset Coverage Test as calculated by the Trust Manager will not be satisfied after giving effect to such repayment and after taking into account all other amounts to be paid pursuant to the applicable Priority of Payments on the next following Distribution Date (including for the avoidance of doubt amounts required to be credited to the Pre-Maturity Ledger), in which case, only that portion of the amount of the Demand Note which could be repaid while remaining in compliance with the Asset Coverage Test will be due and payable on such day; or (ii) an Asset Coverage Test Breach Notice has been given on or prior to such day and has not been revoked.

If the Issuer has determined that a Regulatory Event has occurred or is likely to occur and the Issuer has so notified the Covered Bond Guarantor and the Trust Manager, any repayment obligation to the Demand Loan Provider relating to the Senior Demand Loan Component must be satisfied by the Trust Manager directing the Covered Bond Guarantor to, and the Covered Bond Guarantor (in the case of a distribution in accordance with the Pre-Acceleration Principal Priority of Payments and the Guarantee Priority of Payments) or the Security Trustee (in the case of the Post-Enforcement Priority of Payments), distributing, on the relevant Distribution Date, any Mortgage Loan Rights forming part of the Assets of the Trust in specie (the aggregate value of which will be determined by reference to the Current Principal Balance plus arrears of interest and accrued interest thereon in respect of the corresponding Mortgage Loan calculated as at the date of the in specie distribution) (the **In Specie Mortgage Loan Rights**) and the Demand Loan Provider or its Nominee accepting the distribution of such In Specie Mortgage Loan Rights.

Otherwise, if the Issuer has not determined and notified the Covered Bond Guarantor and the Trust Manager of the occurrence or likely occurrence of a Regulatory Event or, if it has, in respect of the Junior Demand Loan Component, any repayment obligation to the Demand Loan Provider will be satisfied by application of such amounts as are available under the Priorities of Payments. In addition, in respect of the Junior Demand Loan Component, the Trust Manager may (at its discretion) direct the Covered Bond Guarantor to distribute In Specie Mortgage Loan Rights to satisfy any outstanding payment obligations to the Demand Loan Provider or its Nominee.

Any In Specie Mortgage Loan Rights must be selected by the Trust Manager (in the case of a distribution in accordance with the Pre-Acceleration Principal Priority of Payments or the Guarantee Priority of Payments) or the Security Trustee (in the case of a distribution in accordance with the Post-Enforcement Priority of Payments), on a basis that is representative of the Mortgage Loan Rights forming part of the Assets of the Trust at the date of the in specie distribution to the Demand Loan Provider or its Nominee.

For the avoidance of doubt, if the Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Security Trustee, as applicable, fails (as determined by the Demand Loan Provider) for any reason whatsoever to distribute Mortgage Loan Rights as an in specie distribution in accordance with the Demand Loan Agreement and the applicable Priority of Payments (an **In Specie Failure**), such In Specie Failure will not discharge the repayment obligation in respect of the Demand Loan and such repayment obligation will be payable in accordance with the applicable Priority of Payments and the Demand Loan Agreement from the amount available to be applied in accordance with the relevant Priority of Payments.

An In Specie Failure does not constitute a Covered Bond Guarantor Event of Default, Trust Manager Default and/or a Covered Bond Guarantor Termination Event other than, in the case of a Trust Manager Default or a Covered Bond Guarantor Termination Event, where the Covered Bond Guarantor or Trust Manager, as applicable, has been fraudulent, negligent or in wilful default in connection with the In Specie Failure.

Ranking of repayments under the Demand Loan

Repayment of amounts due and payable by the Covered Bond Guarantor in respect of the Demand Loan will:

(a) if, and only if, the Issuer has determined and notified the Covered Bond Guarantor and the Trust Manager of the occurrence or likely occurrence of a Regulatory Event, in respect of the Senior Demand Loan Component, rank in priority to amounts owing by the Covered Bond Guarantor under the Covered Bond Guarantee or under the Intercompany Loan Agreement, as applicable, in accordance with the applicable Priority of Payments unless there is an In Specie Failure, in which case such amounts will be subordinated; and

(b) otherwise, if the Issuer has not determined and notified the Covered Bond Guarantor and the Trust Manager of the occurrence or likely occurrence of a Regulatory Event or, if it has, in respect of the Junior Demand Note Component only, be subordinated to amounts owing by the Covered Bond Guarantor under the Covered Bond Guarantee or under the Intercompany Loan Agreement, as applicable, in accordance with the applicable Priority of Payments (and repayment of such amounts may also be satisfied by an in specie distribution of Mortgage Loan Rights (determined in the manner described above), at the discretion of the Trust Manager or, in the case of the Post-Enforcement Priority of Payments, the Security Trustee).

The Australian Dollar Equivalent of any amounts owing by the Intercompany Loan Provider (as Issuer) to the Covered Bond Guarantor in respect of amounts paid by the Covered Bond Guarantor under the Covered Bond Guarantee in relation to particular Covered Bonds or the purchase of particular Covered Bonds by the Covered Bond Guarantor, as applicable, which are not set-off in accordance with the order of priority contained in the Intercompany Loan Agreement (set out above) will be set-off automatically (and without any action being required by the Covered Bond Guarantor, the Trust Manager, the Demand Loan Provider or the Security Trustee) against any amounts payable by the Covered Bond Guarantor under the Demand Loan Agreement in the following order of priority:

(A) *first*, to reduce and discharge interest (including accrued interest) due and unpaid on the Demand Loan;

(B) *second*, to reduce and discharge the outstanding principal balance of the Demand Loan; and

(C) *third*, to reduce and discharge any other amounts due and payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement.

The Demand Loan Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Mortgage Sale Agreement

Sale by the Sellers of Mortgage Loan Rights

Mortgage Loan Rights have been, and will be, sold to the Covered Bond Guarantor from time to time on a fully serviced basis pursuant to the terms of the Mortgage Sale Agreement entered into on or about the Programme Date between the Bank (in its capacity as Issuer and in its capacity as the MBL Seller), the PUMA Funds Seller, the Servicer, the Covered Bond Guarantor (in its capacity as trustee of the Trust), the Trust Manager, the Origination Manager and the Security Trustee.

The types of Mortgage Loans forming part of the Assets of the Trust will vary over time provided that, at the time the relevant Mortgage Loan is sold to the Covered Bond Guarantor, the Mortgage Loan is an Eligible Mortgage Loan (as described below) on the relevant Cut-Off Date. Accordingly, Mortgage Loan Rights sold by a Seller to the Covered Bond Guarantor on a Closing Date may have characteristics that differ from Mortgage Loan Rights already forming part of the Assets of the Trust as at that date.

Prior to the occurrence of an Issuer Event of Default or a Covered Bond Guarantor Event of Default, the Covered Bond Guarantor will acquire Mortgage Loan Rights from a Seller in the four circumstances described below:

(a) *first*, in connection with a proposed issue of a Series or Tranche of Covered Bonds or the prudent maintenance of the Mortgage Loan Rights forming part of the Assets of the Trust, the proceeds of a Demand Loan and/or a Term Advance (after being swapped into Australian Dollars at the applicable Swap Rate if the Term Advance is not denominated in Australian Dollars), together with (if applicable) the Available Principal Amount available for that purpose, may be applied in whole or in part by the Covered Bond Guarantor to acquire Mortgage Loan Rights from a Seller on the relevant Closing Date;

(b) *second*, if at any time prior to the service of an Asset Coverage Test Breach Notice (which has not been deemed to have been revoked) and prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice or the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice, part of the Available Principal Amount is available to be applied under paragraph (g) of the Pre-Acceleration Principal Priority of Payments and the Trust Manager notifies:

  (i) the PUMA Funds Seller (with a copy to the Covered Bond Guarantor and the Origination Manager) and requests the PUMA Funds Seller to offer to sell Mortgage Loan Rights to the Covered Bond Guarantor, the Origination Manager will direct the PUMA Funds Seller to, and upon such direction the PUMA Funds Seller will, use all reasonable endeavours to offer to sell such Mortgage Loan Rights to the Covered Bond Guarantor and such Mortgage Loan Rights will be purchased by the Covered Bond Guarantor using that part of the Available Principal Amount (provided that the PUMA Funds Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the PUMA Funds Seller and the Origination Manager, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the PUMA Funds Seller and/or the Bank); and/or

  (ii) the MBL Seller (with a copy to the Covered Bond Guarantor) and requests the MBL Seller to offer to sell Mortgage Loan Rights to the Covered Bond Guarantor, the MBL Seller will use all reasonable endeavours to offer to sell such Mortgage Loan Rights to the Covered Bond Guarantor and such Mortgage Loan Rights will be purchased by the Covered Bond Guarantor using that part of the Available Principal Amount (provided that the MBL Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the MBL Seller, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the Bank);

(c) *third*, the Trust Manager is required to ensure that the Adjusted Aggregate Mortgage Loan Amount is maintained at all times in compliance with the Asset Coverage Test (as determined by the Trust Manager on each Determination Date). If on any Determination Date, the Adjusted Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds and the Trust Manager notifies:

  (i) the PUMA Funds Seller and the Origination Manager that the Asset Coverage Test is not satisfied on that Determination Date, the Origination Manager will direct the PUMA Funds Seller to, and the PUMA Funds Seller will, use all reasonable endeavours to offer to sell sufficient Mortgage Loan Rights to the Covered Bond Guarantor so the Asset Coverage Test is satisfied on the immediately following Determination Date (provided that the PUMA Funds Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the PUMA Funds Seller and the Origination Manager, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the PUMA Funds Seller and/or the Bank); and/or

(ii) the MBL Seller that the Asset Coverage Test is not satisfied on that Determination Date, the MBL Seller will use all reasonable endeavours to offer to sell sufficient Mortgage Loan Rights to the Covered Bond Guarantor so the Asset Coverage Test is satisfied on the immediately following Determination Date (provided that the MBL Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the MBL Seller, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the Bank); and

(d) *fourth*, if there is an Interest Rate Shortfall, and the Trust Manager notifies:

(i) the PUMA Funds Seller and the Origination Manager, having regard to the obligations of the Covered Bond Guarantor and the amount of that Interest Rate Shortfall, that further Mortgage Loan Rights should be offered by the PUMA Funds Seller to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement to rectify the Interest Rate Shortfall, the Origination Manager will direct the PUMA Funds Seller to, and upon such direction the PUMA Funds Seller will, use all reasonable endeavours to offer to sell in accordance with the Mortgage Sale Agreement sufficient Mortgage Loan Rights to the Covered Bond Guarantor to ensure that there will not be an Interest Rate Shortfall on the next Determination Date and the Trust Manager must request a Demand Loan Advance to the extent required to pay the Consideration in relation to such Mortgage Loan Rights (provided that the PUMA Funds Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the PUMA Funds Seller and the Origination Manager, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the PUMA Funds Seller and/or the Bank); and/or

(ii) the MBL Seller, having regard to the obligations of the Covered Bond Guarantor and the amount of that Interest Rate Shortfall, that further Mortgage Loan Rights should be offered by the MBL Seller to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement to rectify the Interest Rate Shortfall, the MBL Seller will use all reasonable endeavours to offer to sell in accordance with the Mortgage Sale Agreement sufficient Mortgage Loan Rights to the Covered Bond Guarantor to ensure that there will not be an Interest Rate Shortfall on the next Determination Date and the Trust Manager must request a Demand Loan Advance to the extent required to pay the Consideration in relation to such Mortgage Loan Rights (provided that the MBL Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the MBL Seller, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the Bank).

In exchange for the sale of the Mortgage Loan Rights to the Covered Bond Guarantor, the relevant Seller will receive a payment of the Consideration for the Mortgage Loan Rights in accordance with the applicable Priority of Payments. The Consideration for Mortgage Loan Rights acquired by the Covered Bond Guarantor will be paid on the applicable Closing Date.

The Servicer will be required to purchase Mortgage Loan Rights sold to the Covered Bond Guarantor in the circumstances described under "*Purchase by the Servicer following breach of Representations and Warranties*" below.

Eligible Mortgage Loans

The Servicer gives certain representations and warranties in respect of each Mortgage Loan, which include that the Mortgage Loan is an Eligible Mortgage Loan as at the relevant Cut-Off Date. An Eligible Mortgage Loan is a Mortgage Loan that satisfies the following conditions:

(a) it has a stated term remaining to maturity as at the Cut-Off Date not exceeding 30 years and one month;

(b) it was advanced in, and is repayable in, Australian Dollars;

(c) it has a Current Principal Balance equal to or less than A$2,500,000;

(d) as at the Cut-Off Date no payment due from the Borrower under the Mortgage Loan is in arrears by more than 30 days; and

(e) the Mortgage in respect of the Mortgage Loan is a first mortgage over freehold land in Australia, or over leasehold land in Australia with a lease term of at least 10 years longer than the term of the Mortgage Loan, in either case where the zoning and use of the property is for residential purposes,

or such other Eligibility Criteria as the Covered Bond Guarantor, each Seller and the Trust Manager may agree in writing prior to the relevant Closing Date.

As at each Cut-Off Date, the Representations and Warranties (described below in "*Representations and Warranties*") will be given by the Servicer in respect of the Mortgage Loan Rights sold by the PUMA Funds Seller; and (ii) the MBL Seller in respect of the Mortgage Loan Rights sold by the MBL Seller to the Covered Bond Guarantor on the corresponding Closing Date.

Transfer of title to the Mortgage Loan Rights to the Covered Bond Guarantor

Each Mortgage Loan has either been:

(a) in the case of Mortgage Loans sold by the PUMA Funds Seller, originated in the name of Perpetual Limited in its capacity as trustee of the PUMA Programme and accordingly, Perpetual Limited holds legal title to those Mortgages Loan Rights which will form part of the Assets of the Trust from time to time; and

(b) in the case of Mortgage Loans sold by the MBL Seller, originated in the name of the Bank and accordingly, the Bank holds legal title to those Mortgages Loan Rights which will form part of the Assets of the Trust from time to time. Such Mortgage Loan Rights will be sold by the MBL Seller to the Covered Bond Guarantor by way of equitable assignment, and notice of the sale will not be initially provided to the Borrowers,

subject to certain modifications being made to the Programme Documents in accordance with Condition 10.2. See further the section "*Risk Factors - Covered Bond Guarantor may initially acquire equitable title only to the Mortgage Loan Rights*".

In relation to those Mortgage Loans originated by the MBL Seller which have been sold to the Covered Bond Guarantor, the following provisions relating to Perfection of Title Events and the rights of the Covered Bond Guarantor upon the occurrence of such events will apply.

Each of the following events is a **Perfection of Title Event**:

(a) if:

(i) an Issuer Event of Default has occurred and is subsisting;

(ii) an Issuer Acceleration Notice is served on the Issuer and the Covered Bond Guarantor; and

(iii) a Notice to Pay is served on the Covered Bond Guarantor,

unless the Bank has notified the Covered Bond Guarantor that it (or its Nominee) will accept the offer set out in a Selected Mortgage Loan Rights Offer Notice within the prescribed time in relation to the Mortgage Loan Rights specified in the Selected Mortgage Loan Rights Offer Notice;

(b) at the request of the Covered Bond Guarantor (acting on the directions of the Trust Manager) following the acceptance of an offer to sell the Selected Mortgage Loan Rights (in accordance with the Programme Documents) to any person who is not a Seller in relation to those Selected Mortgage Loan Rights;

(c) if the MBL Seller and/or the Covered Bond Guarantor is required to perfect the Covered Bond Guarantor's title to the Mortgage Loan Rights by law or by an order of a court of competent jurisdiction;

(d) if the Security under the Security Deed or any material part of the Security being in the opinion of the Security Trustee (acting on the directions of (if any Covered Bonds are outstanding) the Bond Trustee or (where no Covered Bonds are outstanding) the Majority Secured Creditors) in jeopardy and the Security Trustee is directed by the Bond Trustee (if any Covered Bonds are outstanding and subject to the provisions of the Bond Trust Deed) or (if no Covered Bonds are outstanding) the Majority Secured Creditors, to take that action to reduce that jeopardy;

(e) if the MBL Seller requests at its absolute discretion the perfection of a sale of certain Mortgage Loan Rights by giving notice in writing to the Covered Bond Guarantor and the Security Trustee.

Following the occurrence of a Perfection of Title Event that is subsisting, the Covered Bond Guarantor may only take any action:

(a) in the case of the Perfection of Title Event referred to in paragraph (a) above, in respect of all Mortgage Loans forming part of the Assets of the Trust other than any Selected Mortgage Loan Rights specified in a Selected Mortgage Loan Rights Offer Notice given by the Covered Bond Guarantor to the Bank which has been accepted by the Bank (or its Nominee) within the prescribed time;

(b) in the case of the Perfection of Title Event referred to in paragraph (b) above, in respect of the relevant Selected Mortgage Loan Rights only;

(c) in the case of the Perfection of Title Event referred to in paragraph (c) above, in respect of affected Mortgage Loan Rights only; and

(d) in the case of any other Perfection of Title Event, in respect of all Mortgage Loan Rights forming part of the Assets of the Trust,

in each case, the **Affected Mortgage Loan Rights**.

If a Perfection of Title Event of which the Covered Bond Guarantor is actually aware is subsisting, the Covered Bond Guarantor must, as soon as reasonably practicable, by notice in writing to the Bank, the MBL Seller, Servicer, Trust Manager, Security Trustee and each Rating Agency, declare that a Perfection of Title Event has occurred unless the Issuer issues a Rating Affirmation Notice prior to such declaration.

Prior to issuing the first Transfer Proposal to the Covered Bond Guarantor, the MBL Seller must deliver powers of attorney in registrable form in each Australian jurisdiction appointing the Covered Bond Guarantor as its attorney to, amongst other things: (1) execute, deliver and lodge any mortgage transfer relating to any Mortgage Loans forming part of the Assets of the Trust and any other documents referred to in a mortgage transfer which are ancillary to them or contemplated by them with any land titles office in any relevant Australian jurisdiction; (2) give effect to the transactions contemplated by any mortgage transfer; (3) exercise any rights of the Sellers to vary by notice to the Borrower the rate or amount of any interest or fees payable by the Borrower under the related Mortgage Loan; and/or (4) do anything incidental to or conducive to the effective and expeditious exercise of its rights under the powers of attorney (the **MBL Seller Powers of Attorney**). The MBL Seller Powers of Attorney will not be exercisable by the Covered Bond Guarantor until the occurrence of a Perfection of Title Event.

If, and only if, the Covered Bond Guarantor makes a declaration of a Perfection of Title Event as discussed above, the Covered Bond Guarantor and the Trust Manager must as soon as practicable: (i) take all necessary steps to perfect in the name of the Covered Bond Guarantor the Covered Bond Guarantor's legal title to the Mortgages in respect of the Affected Mortgage Loan Rights then forming part of the Assets of the Trust (including lodgement of mortgage transfers (where necessary, executed under an MBL Seller Power of Attorney) with the land titles office of the appropriate jurisdiction to achieve registration of the Mortgages in respect of the Affected Mortgage Loan Rights then forming part of the Assets of the Trust); (ii) notifying the relevant Borrowers of the sale of Mortgage Loans and Mortgages in respect of the Affected Mortgage Loan Rights then forming part of the Assets of the Trust including informing them (where appropriate) that they should make payment to the Trust Account specified to them by the Covered Bond Guarantor; and (iii) taking possession of all Loan Files (subject to the Privacy Act and the MBL Seller's duty of confidentiality to its customers under general law or otherwise). Prior to any such declaration, the MBL Seller will retain legal title to the Mortgage Loan Rights and the Servicer will have custody of the Loan Files.

Representations and Warranties

The Covered Bond Guarantor has not made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Mortgage Loan Rights to be sold to the Covered Bond Guarantor. Instead, the Covered Bond Guarantor will rely entirely on the Representations and Warranties made by the Servicer and the MBL Seller (as applicable) and contained in the Mortgage Sale Agreement. As at the relevant Cut-Off Date, the Servicer, in respect of each Mortgage Loan to be transferred by the PUMA Funds Seller, and the MBL Seller, in respect of each Mortgage Loan to be transferred by the MBL Seller, make the following Representations and Warranties to the Covered Bond Guarantor:

(a) at the time that the relevant Seller entered into the Mortgage Loan, the Mortgage Loan complied in all material respects with all applicable laws;

(b) all consents required in relation to the transfer of the Mortgage Loans and the related Mortgages and Collateral Securities have been obtained and those Mortgage Loans and the related Mortgages and Collateral Securities are transferable;

(c) each Mortgage Loan is valid, binding and enforceable, subject to principles of equity and the laws concerning insolvency, bankruptcy, liquidation, administration or reorganisation or other laws generally affecting creditors' rights or duties;

(d) at the time that the relevant Seller entered into the Mortgage Loan, the Mortgage Loan was originated in accordance with the Servicer's standard procedures in relation to origination;

(e) the relevant Seller is the sole legal and beneficial owner of the Mortgage Loan and the related Mortgages and Collateral Securities (other than the Insurance Policies) and, to its knowledge, those Mortgage Loans, the related Mortgages and Collateral Securities are owned by the relevant Seller free and clear of any Security Interest (other than any Security Interest arising solely as the result of any action taken by the Covered Bond Guarantor);

(f) it is not aware of any fraud, dishonesty, material misrepresentation or negligence on the part of the relevant Seller, or, where the Seller is the PUMA Funds Seller, the Origination Manager in connection with the selection and offer to the Covered Bond Guarantor of each Mortgage Loan and the related Mortgage and Collateral Securities;

(g) each of the relevant Mortgage Documents (other than the Insurance Policies in respect of Land) relating to the Mortgage Loan which is required to be stamped with stamp duty has been duly stamped;

(h) as far as it is aware, the relevant Seller holds all documents in respect of the Mortgage Loans that are reasonably necessary to enforce its rights under the Mortgage Loan, the related Mortgage and Collateral Securities;

(i) the Mortgage Loan is an Eligible Mortgage Loan as at the Cut-Off Date; and

(j) except in respect of a Mortgage Loan subject to a fixed rate of interest (or a rate of interest which can be converted into a fixed rate of interest or a fixed margin relative to a benchmark) and except as may be provided by applicable laws (including the Consumer Credit Code and the National Consumer Credit Protection Laws, as applicable), any Binding Provision or any Competent Authority or as may be provided in the corresponding Mortgage Documents, the interest rate payable on a Mortgage Loan is not subject to any limitation and no consent, additional memoranda or other writing is required from the relevant Borrower to give effect to a change in the interest rate payable on the Mortgage Loan and, subject to the foregoing, any change in the interest rate may be set at the sole discretion of the relevant Seller (at the direction of the Servicer) and is effective no later than when notice is given to the Borrower in accordance with the terms of the relevant Mortgage Loan.

Purchase by the Servicer following breach of Representations and Warranties

If the Trust Manager, a Seller, the Bank, the Servicer, the Origination Manager or the Covered Bond Guarantor become actually aware that a Representation or Warranty was materially breached or materially incorrect when given in respect of a Mortgage Loan forming part of the Assets of the Trust it must give notice, in the case of the Trust Manager, the Seller, the Bank, the Servicer and the Origination Manager, to the other parties to the Mortgage Sale Agreement and in the case of the Covered Bond Guarantor, to the Trust Manager, the Sellers, the Bank, the Servicer and the Origination Manager, within five Local Business Days of the relevant party becoming so aware. If that breach is not remedied to the Covered Bond Guarantor's satisfaction within five Local Business Days of the Trust Manager, the relevant Seller, the Bank, the Servicer or the Origination Manager giving or receiving such notice, then the Servicer must pay (or procure payment by its Nominee (which may, for the avoidance of doubt, be the PUMA Funds Seller or the Bank)) to the Covered Bond Guarantor the Current Principal Balance of the relevant Mortgage Loan plus the arrears of interest and any accrued interest (in each case, as at the date of delivery of the notice referred to above) and on receipt of such payment by the Covered Bond Guarantor, the relevant Mortgage Loan will be treated as having been repaid in full.

Further drawings under the Mortgage Loans

The PUMA Funds Seller, the Bank (acting on behalf of the PUMA Funds Seller or in its capacity as MBL Seller) and/or MSL will be solely responsible for funding (whether directly or indirectly) the advance to the relevant Borrowers of all further drawings, if any, in respect of Mortgage Loans forming part of the Assets of the Trust (including, but not limited to, Trust Further Advances).

Further Advances

A Mortgage Loan forming part of the Assets of the Trust will be subject to a Further Advance when the PUMA Funds Seller or the Bank, acting on behalf of the PUMA Funds Seller or in its capacity as MBL Seller, or MSL, acting on behalf of a Seller, agrees to an advance (whether directly or indirectly) of further money to the relevant Borrower following the making of the initial advance of moneys in respect of such Mortgage Loan which is secured by the same Mortgage as the initial advance and is recorded on the same account as the initial advance.

The relevant Seller has an absolute right to agree to or refuse to grant a Further Advance and the relevant Seller will be solely responsible for funding any such Further Advance to a Borrower.

If the PUMA Funds Seller, the Bank, acting on behalf of the PUMA Funds Seller or in its capacity as MBL Seller, or MSL, acting on behalf of a Seller, makes an advance to a Borrower (whether directly or indirectly) and the relevant Seller records the advance as a debit to the account in its records for an existing Mortgage Loan forming part of the Assets of the Trust, notwithstanding whether the advance leads to the Scheduled Balance in respect of that Mortgage Loan (prior to the approval of the advance) being exceeded by more than one Mortgage Loan Scheduled Payment or not, the advance is treated as a Further Advance for the purposes of the Mortgage Sale Agreement and the rights to repayment of such will be a Mortgage Loan Right forming part of the Assets of the Trust unless the relevant Seller elects (at the direction of, where the relevant Seller is the PUMA Funds Seller, the Origination Manager acting in its absolute discretion) to pay to the Covered Bond Guarantor an amount equal to the Current Principal Balance (before the advance was made) plus the arrears of interest and any accrued interest in respect of the relevant Mortgage Loan (which amount must be deposited into the GIC Account) and on such payment the Mortgage Loan is, for the purposes of the Mortgage Sale Agreement only, treated as having been repaid in full.

If the PUMA Funds Seller or the Bank, acting on behalf of the PUMA Funds Seller or in its capacity as MBL Seller, or MSL, acting on behalf of a Seller, makes a Further Advance (whether directly or indirectly) and the relevant Seller has not elected to remove the Mortgage Loan in respect of which such Further Advance was made (and the related Mortgage Loan Rights) from the Assets of the Trust (a **Trust Further Advance**) and, in accordance with the Servicing Deed, notifies the Trust Manager, the Bank and the Servicer of the amount of that Trust Further Advance:

(a) the Servicer or the Bank may apply an amount of Collections held by it prior to deposit in the GIC Account; or

(b) if the Servicer or the Bank notifies the Trust Manager that it cannot, or chooses not to, apply Collections as described in paragraph (a), the Trust Manager must direct the Covered Bond Guarantor to pay the PUMA Funds Seller, MSL or the Bank that amount from Collections held by the Covered Bond Guarantor in the GIC Account,

in each case, in reimbursement of such Trust Further Advance, provided that Collections may only be applied in accordance with paragraphs (a) and (b) above if there are sufficient Collections to be able to make the reimbursement and the Trust Manager has confirmed to the Covered Bond Guarantor that it is satisfied on a reasonable basis that the estimated Principal Collections for the Collection Period in which the day of application falls exceeds the aggregate of the amount of that reimbursement and any other reimbursement made to the PUMA Funds Seller, MSL and/or the Bank during that Collection Period. If the Covered Bond Guarantor receives a direction from the Trust Manager in accordance with paragraph (b) above, the Covered Bond Guarantor must pay the PUMA Funds Seller, MSL or the Bank the amount so directed and will be entitled to assume that the Trust Manager has complied with its obligations described in this paragraph in giving that direction.

Interest Offset Arrangements

For so long as any Mortgage Loan of the Trust sold to the Covered Bond Guarantor by the MBL Seller is subject to an agreement or arrangement between the MBL Seller and a Borrower under which the amount of interest which would (but for such agreement or arrangement) have been payable under or in respect of a Mortgage Loan

is reduced by reference to any credit balance on any account maintained by that Borrower with the MBL Seller (an **Interest Offset Arrangement**), the MBL Seller must pay to the Covered Bond Guarantor an amount equal to the Interest Offset Amount for each Collection Period.

The **Interest Offset Amount** in relation to a Collection Period or a particular day, is the aggregate amount of all reductions in interest, which would otherwise have been payable during that Collection Period or on that day (as the case may be), in respect of all Mortgage Loans of the Trust as a result of any Interest Offset Arrangements.

Such amount is to be paid:

(a) for so long as the MBL Seller's credit rating or deposit rating, as applicable, is equal to or higher than the Fitch Specified Rating and the Moody's Specified Rating, not later than the day falling two Business Days before the Payment Date immediately following the end of that Collection Period; and

(b) for so long as the MBL Seller's credit rating or deposit rating, as applicable, is below the Fitch Specified Rating or the Moody's Specified Rating, within two Business Days of the day on which the interest amount subject to the Interest Offset Arrangement would, absent the existence of that Interest Offset Arrangement, otherwise have been payable by the Borrower under the terms of the relevant Mortgage Loan,

or, in each case, within such other period as may be agreed among the Covered Bond Guarantor and the MBL Seller from time to time provided that such other period is the subject of a Rating Affirmation Notice.

The Servicer must, promptly following it being notified in writing by the Issuer or the Trust Manager of the occurrence of a Perfection of Title Event, take such action as may be required to terminate any Interest Offset Arrangements in respect of each Mortgage Loan sold to the Covered Bond Guarantor by the MBL Seller.

Defaulted Mortgage Loans

If a Mortgage Loan becomes a Defaulted Mortgage Loan, then that Mortgage Loan will be attributed a zero value in the calculation of the Asset Coverage Test, the Amortisation Test and the Legislated Collateralisation Test on the relevant Determination Date.

General ability to repurchase

A Seller (being, where the Seller is the PUMA Funds Seller, at the direction of the Origination Manager) and the Bank may, at any time prior to the occurrence of an Issuer Event of Default, by serving a Mortgage Loan Transfer Notice on the Covered Bond Guarantor (copied to the Security Trustee), offer to purchase Mortgage Loan Rights from the Covered Bond Guarantor for an amount equal to the Current Principal Balance plus arrears of interest and any accrued interest in respect of the Mortgage Loans relating to such Mortgage Loan Rights. The Covered Bond Guarantor will be under no obligation whatsoever to accept such an offer and any such decision will be made by the Trust Manager. In no circumstances will the Trust Manager direct the Covered Bond Guarantor to (and the Covered Bond Guarantor will not) accept any such offer unless the Trust Manager confirms to the Covered Bond Guarantor that, after giving effect to the sale of the Mortgage Loan Rights, the Asset Coverage Test will be satisfied.

Timing of repurchase and payment

Subject as provided in "*General ability to repurchase*" above, the Covered Bond Guarantor (acting on the directions of the Trust Manager) may accept an offer by a Seller or the Bank to purchase Mortgage Loan Rights in writing (including by email) to the relevant Seller or the Bank, as the case may be. If the Covered Bond Guarantor so accepts an offer a Seller or the Bank, as the case may be, must pay to the Covered Bond Guarantor an amount equal to the Current Principal Balance plus the arrears of interest and any accrued interest in respect of the Mortgage Loans the subject of the Mortgage Loan Transfer Notice, and on receipt of such amount by the Covered Bond Guarantor the Mortgage Loans will be treated as having been repaid in full. Such payment must be allocated by the Covered Bond Guarantor to the GIC Account of the Trust.

A transfer of the right, title and interest in any Mortgage Loan Rights in the circumstances described under "*General ability to repurchase*" will take place on a date agreed by the relevant Seller or the Bank, as the case may be, and the Covered Bond Guarantor (acting on the directions of the Trust Manager).

Right of pre-emption

Under the terms of the Mortgage Sale Agreement, the Bank will have a right of pre-emption in respect of any sale, in whole or in part, of Selected Mortgage Loan Rights. The Covered Bond Guarantor may be required to sell selected Mortgage Loan Rights in the circumstances described in "*Establishment Deed – Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached*", "*Establishment Deed – Sale of Selected Mortgage Loan Rights following service of an Asset Coverage Test Breach Notice*" and "*Establishment Deed – Sale of Selected Mortgage Loan Rights following service of a Notice to Pay*" below.

In connection with the sale of Mortgage Loan Rights, the Covered Bond Guarantor will serve on the Bank a Selected Mortgage Loan Rights Offer Notice offering to sell those Selected Mortgage Loan Rights to the Bank (or to its Nominee) for the best price reasonably available, but in any event: (a) following the service of an Asset Coverage Test Breach Notice (but prior to the service of a Notice to Pay), for an amount not less than the Current Principal Balance of the Mortgage Loans relating to the Selected Mortgage Loan Rights plus the arrears of interest and any accrued interest; and (b) following a breach of the Pre-Maturity Test or service of a Notice to Pay on the Covered Bond Guarantor, for an amount not less than the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds. If the Bank accepts the Covered Bond Guarantor's offer to sell the relevant Selected Mortgage Loan Rights in accordance with the foregoing, the Bank (and, if applicable, any Nominee) must, within 10 Local Business Days of service of the Selected Mortgage Loan Rights Offer Notice on the Bank, countersign and return to the Covered Bond Guarantor the relevant Selected Mortgage Loan Rights Offer Notice. The Bank's right to accept the offer (and therefore exercise its right of pre-emption) will be conditional upon the Covered Bond Guarantor, the Trust Manager and Security Trustee (each acting reasonably) being satisfied that no Insolvency Event has occurred in respect of the Bank.

Upon:

(a) receipt by the Covered Bond Guarantor of a countersigned Selected Mortgage Loan Rights Offer Notice; and

(b) the payment by the Bank or its Nominee, as the case may be, to the Covered Bond Guarantor of an amount equal to the purchase price referred to above and specified in the relevant Selected Mortgage Loan Rights Offer Notice by no later than the earlier to occur of the date which is:

    (i) 10 Local Business Days after receipt by the Covered Bond Guarantor of the Selected Mortgage Loan Rights Offer Notice countersigned by the Bank and, if applicable, any Nominee; or

    (ii) the Final Maturity Date of the Earliest Maturing Covered Bonds,

the Mortgage Loans identified in the Selected Mortgage Loan Rights Offer Notice will be treated as having been repaid in full by the payment by the purchase price referred to above. Such payment must be allocated by the Covered Bond Guarantor to the GIC Account.

If the Bank rejects the Covered Bond Guarantor's offer or fails to accept it in accordance with the foregoing or the Bank or its Nominee, as applicable, fails within the requisite time to pay the purchase price in accordance with the above, the Covered Bond Guarantor will offer to sell the Selected Mortgage Loan Rights to other Purchasers (as described under "*Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*" below).

For the purposes of the above:

Adjusted Required Redemption Amount means in relation to a Series of Covered Bonds:

(i) the Australian Dollar Equivalent of the Required Redemption Amount; plus or minus

(ii) the Australian Dollar Equivalent of any swap termination amounts payable under the Covered Bond Swaps corresponding to the Series to or by the Covered Bond Guarantor less (where applicable) amounts standing to the credit of (i) the Pre-Maturity Ledger, (ii) the GIC Account (excluding amounts standing to the credit of the Pre-Maturity Ledger) and (iii) the principal balance of any Substitution Assets and Authorised Investments (excluding all amounts to be applied on the next following Distribution Date to repay higher ranking amounts in the relevant Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds); plus or minus

(iii) the Australian Dollar Equivalent of any swap termination amounts payable to or by the Covered Bond Guarantor under an Interest Rate Swap.

The Mortgage Sale Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Servicing Deed

Pursuant to the terms of the Servicing Deed entered into on or about the Programme Date between the Covered Bond Guarantor (in its capacity as trustee of the Trust), the PUMA Funds Seller, the Bank (in its capacity as Issuer and as MBL Seller), MSL (in its capacity as Servicer, Trust Manager and Origination Manager) and the Security Trustee, the Servicer has agreed to administer and service on behalf of the Covered Bond Guarantor the Mortgage Loan Rights sold by the Sellers to the Covered Bond Guarantor.

The Servicer must ensure that the servicing of the Mortgage Loan Rights which from time to time form part of the Assets of the Trust (including the exercise of the express powers set out in the Servicing Deed) is:

(a) subject to all applicable laws, at all times conducted in the best interests of the Covered Bond Guarantor;

(b) in compliance with the express limitations of the Servicing Deed (unless the prior written consent of the Trust Manager and the Covered Bond Guarantor is obtained); and

(c) to the extent the Servicing Deed does not provide otherwise, in accordance with the Servicing Standards.

The function of servicing the Mortgage Loans Rights forming part of the Assets of the Trust is vested in the Servicer to be exercised on behalf, and, subject to all applicable laws, in the best interests, of the Covered Bond Guarantor. However the parties to the Servicing Deed acknowledge and agree that the Servicer is an independent contractor and not the agent of the Covered Bond Guarantor in the exercise and performance of its duties under the Servicing Deed.

The Servicer's actions in servicing the Mortgage Loan Rights are binding on the Covered Bond Guarantor, whether or not such actions or any omissions are in compliance with the Servicing Deed. The Servicer may appoint an agent or delegate for the purposes of carrying out and performing its duties and obligations under the Servicing Deed provided that it meets the conditions as set out in the Servicing Deed in relation to such appointment. The Servicer at all times remains liable for its agents and delegates insofar as the act or omissions of any such person constitute a breach by the Servicer of its obligations under the Servicing Deed and in respect of payment of fees to any such person.

Undertakings of the Servicer

Pursuant to the terms of the Servicing Deed, the Servicer must, in servicing the Mortgage Loan Rights forming part of the Assets of the Trust, exercise its powers and discretions under the Servicing Deed, the Servicing Guidelines and the relevant Mortgage Documents to which it is a party in accordance with the standards and practices suitable for a prudent lender in the business of making retail home loans and, subject to all applicable laws, in the best interests of the Covered Bond Guarantor following such collection procedures it follows with respect to comparable mortgage loans owned and serviced by it.

Under the Servicing Deed, the Servicer undertakes to, among other things:

(a) promptly ensure that any Mortgage Loan Document in relation to a Mortgage Loan following any amendment, consolidation, supplementation, novation or substitution of a Mortgage, is duly stamped (if liable to stamp duty) and duly registered (where registration is required) with the relevant land titles office to constitute, in the case of a Mortgage, a subsisting first-ranking registered mortgage over the relevant property;

(b) promptly notify the Covered Bond Guarantor, the Trust Manager and the Security Trustee of any material breach of the Servicing Guidelines by the Servicer in relation to the servicing of the Mortgage Loan Rights then forming part of the Assets of the Trust;

(c) upon receiving notice that a Borrower desires to repay a Mortgage Loan in full, prepare and make available documentation and make such calculations as are necessary to enable repayment of a Mortgage Loan and discharge of the corresponding Mortgage and any other Collateral Securities (provided that the

Servicer is not required to discharge a Mortgage or any Collateral Security if it also secures another Mortgage Loan which is an Asset of the Trust);

(d) duly and punctually perform its material obligations under the Servicing Deed and Programme Documents to which it is a party;

(e) where any material amount of a Mortgage Loan has been written off as uncollectible in accordance with the Servicing Guidelines and the Servicing Deed, ensure that the documentation relevant to that Mortgage Loan is examined to determine whether the Representations and Warranties in respect of that Mortgage Loan were correct at the relevant Cut-Off Date and notify the Covered Bond Guarantor if they were incorrect;

(f) if a Perfection of Title Event occurs, promptly deliver to the Covered Bond Guarantor (or procure delivery to the Covered Bond Guarantor of) all Loan Files not otherwise delivered to the Covered Bond Guarantor or not otherwise in the possession of the Covered Bond Guarantor or the Trust Manager in accordance with the Mortgage Sale Agreement and (subject to any restrictions imposed by any law) promptly provide such evidence in its possession or control as may reasonably be required by the Covered Bond Guarantor to support any claim in respect of any Mortgage Loan Rights;

(g) keep proper and adequate books of account (which may be kept electronically) for the Mortgage Loan Rights;

(h) subject to the provisions of the Privacy Act and the Servicer's duty of confidentiality to its clients under general law or otherwise, promptly make available to the Covered Bond Guarantor, the Trust Manager, the Auditor and the Security Trustee any books, reports or other oral or written information and supporting evidence of which the Servicer is aware that they reasonably request with respect to the Assets of the Trust from time to time or with respect of the performance by the Servicer of its obligations under the Programme Documents;

(i) notify the Trust Manager and the Covered Bond Guarantor promptly if it becomes actually aware that any material representation or warranty made or taken to be made by or on behalf of a Seller or the Servicer in connection with a Programme Document is incorrect when made or taken to be made;

(j) within 10 Local Business Days following a request from the Covered Bond Guarantor, the Trust Manager or the Security Trustee, provide the Covered Bond Guarantor, the Trust Manager or the Security Trustee (as the case may be) with a certificate from the Servicer signed by two Authorised Officers of the Servicer on its behalf which states whether to the best of the Servicer's knowledge and belief a Servicer Default has occurred (provided that such a request may only be made once in each six calendar month period, unless the Covered Bond Guarantor, the Trust Manager or the Security Trustee (as the case may be) when making the request sets out reasonable grounds for believing that a Servicer Default is subsisting);

(k) notify the Covered Bond Guarantor, the Trust Manager and the Security Trustee within 10 Local Business Days after the Servicer becomes actually aware of any Servicer Default or the occurrence of any Perfection of Title Event and at the same time or within a reasonable time thereafter provide full details thereof;

(l) comply with the requirements of any relevant laws in carrying out its obligations under the Programme Documents including the Consumer Credit Code and the National Consumer Credit Protection Laws;

(m) obtain and maintain all authorisations, filings and registrations necessary to properly service the Mortgage Loans;

(n) not merge or consolidate into another entity, unless the surviving entity assumes its rights and obligations as Servicer under the Programme Documents and each Rating Agency is notified;

(o) subject to the provisions of the Australian Banking Act, not present any application or pass any resolution for the liquidation of the Servicer, or, subject to paragraph (n), enter into any scheme of arrangement, merger or consolidation with any other person or enter into any other scheme under which the Servicer ceases to exist, the assets or liabilities of the Servicer are vested in or assumed by any other person or either of those events occur;

(p) duly and punctually file all returns in respect of Tax which are required to be filed and pay, or procure payment of all Taxes and other outgoings payable by it as and when the same respectively become due and payable other than any Taxes or outgoings which are being contested in good faith and promptly pay or cause to be paid those contested Taxes or outgoings after the final determination or settlement of such contest;

(q) not, without the prior consent of the Covered Bond Guarantor and the Security Trustee, apply, transfer or set off the whole or any part of any amount payable or owed to the Servicer or to which the Servicer is entitled under any Programme Document towards satisfaction of any obligation which is owed by the Servicer to the Covered Bond Guarantor or the Trust Manager under any other Programme Document, other than as contemplated under any other Programme Document;

(r) other than as a Secured Creditor, not claim any Security Interest, lien or other possessory right in any of the Assets of the Trust;

(s) following receipt of actual notice of a claim by a third party with respect to a challenge to the sale, transfer and/or assignment to the Covered Bond Guarantor of any Mortgage Loan Rights forming part of the Assets of the Trust, promptly give notice in writing of such action or claim to the Covered Bond Guarantor, the Security Trustee and the Trust Manager;

(t) not transfer, assign, exchange or otherwise grant a Security Interest over the whole or any part of its right, title and interest in and to any Mortgage Loan Rights forming part of the Assets of the Trust;

(u) use reasonable efforts to cause all information provided by it to each Rating Agency in relation to the Trust to be complete and accurate in all material respects;

(v) comply with all other undertakings given by the Servicer in the Servicing Deed and the other Programme Documents;

(w) make reasonable efforts to collect all moneys due under the terms and provisions of the Mortgage Loan Rights of the Trust and, to the extent such efforts will be consistent with the Servicing Deed and the other Programme Documents, follow such normal collection procedures as it deems necessary and advisable;

(x) if a Mortgage Loan forming part of the Assets of the Trust is a Defaulted Mortgage Loan, take such action on such basis as the Covered Bond Guarantor and the Servicer may agree (in accordance and in conjunction with the Servicer's normal enforcement procedures) to enforce such Mortgage Loan and any related Mortgage Loan Rights (but only to the extent that the Servicer determines that enforcement proceedings should be taken) so as to maximise the return to the Covered Bond Guarantor, taking into account, *inter alia*, the timing of any enforcement proceedings provided that the Servicer will not be required to institute or continue litigation with respect to collection of any payment if there are reasonable grounds for believing:

(i) the provisions of such Mortgage Loan and any related Mortgage Loan Rights under which such payment is required are unenforceable; or

(ii) the payment is uncollectible; or

(iii) the likely proceeds from such litigation, in light of the expenses in relation to the litigation, do not warrant such litigation;

(y) take such steps as are reasonably necessary to maintain the Covered Bond Guarantor's title to the Mortgage Loan Rights of the Trust;

(z) upon being directed to do so by the Covered Bond Guarantor or the Trust Manager following the occurrence of a Perfection of Title Event, promptly take all action required or permitted by law to assist the Covered Bond Guarantor and the Trust Manager to perfect the Covered Bond Guarantor's legal title (to the extent not already held by it) to the Mortgage Loan Rights forming part of the Assets of the Trust in accordance with the requirements of the Servicing Deed and the other Programme Documents;

(aa) not grant any extension of the time to maturity of a Mortgage Loan forming part of the Assets of the Trust beyond 30 years and one month from the Settlement Date for the Mortgage Loan or allow any reduced monthly payment that would result in such an extension unless it is required by a Binding

Provision or an order, decision, finding, judgment or determination of a Competent Authority or, in the Servicer's opinion, such action would be taken or required to be taken by a Competent Authority; and

(bb) if any amendment is made to the Servicing Guidelines to, upon request, deliver a copy of such amendment to the Covered Bond Guarantor, the Trust Manager, the Security Trustee and the Rating Agencies.

Powers of the Servicer

The Servicer has a number of express powers, which include but are not limited to the power:

(a) to release or substitute any Mortgage or Collateral Security relating to a Mortgage Loan which is an Asset of the Trust provided that this is in accordance with the Servicing Guidelines or it is required by a Binding Provision or an order, decision, finding, judgment or determination of a Competent Authority or, in the Servicer's opinion, such action would be taken or required to be taken by a Competent Authority;

(b) subject to certain restrictions set out in the Servicing Deed (including the restriction identified in paragraph (z) above), to vary, extend or relax the time to maturity, the terms of repayment or any other term of a Mortgage Loan and its related Mortgage and Collateral Securities forming part of the Assets of the Trust;

(c) to release a Borrower from any amount owing under a Mortgage Loan forming part of the Assets of the Trust or any related Mortgage or Collateral Securities where the Servicer has written-off or determined to write-off that amount in accordance with the Servicing Standards or where it is required to do so by a Binding Provision or an order, decision, finding, judgment or determination of a Competent Authority or, in the Servicer's opinion, such action would be taken or required to be taken by a Competent Authority;

(d) subject to paragraphs (b) and (c) above, to waive any breach under, or compromise, compound or settle any claim in respect of, or release any party from an obligation or claim under, the Mortgage Loans or any related Mortgage or Collateral Securities;

(e) subject to restrictions contained in the Servicing Deed, to enter into certain Priority Agreements, to consent to the creation or existence of any Security Interest in relation to any Land the subject of a Mortgage forming part of the Assets of the Trust;

(f) to institute litigation (on behalf of the Sellers) to recover amounts owing under a Mortgage Loan; and

(g) to take other enforcement action in relation to a Mortgage Loan as it determines should be taken.

The Servicing Deed provides that if the Servicer: (i) releases a Mortgage or Collateral Security forming part of the Assets of the Trust; (ii) reduces the amount outstanding under, or varies the terms (including without limitation in relation to repayment) of, any Mortgage Loan, related Mortgage or Collateral Security forming part of the Assets of the Trust; or (iii) grants other relief to a Borrower or the provider of a Collateral Security forming part of the Assets of the Trust, after having formed the opinion that such action would be taken or required by a Competent Authority, or pursuant to an order, finding, determination or judgment of a Competent Authority and it is determined that such order, finding, determination or judgment, in either case, was made as a result of the relevant Seller or Servicer:

(a) breaching any Binding Provision, applicable regulation, statute or official directive at the time the Mortgage, the Collateral Security or the Mortgage Loan was granted or the Further Advance was made in respect of such Mortgage Loan (other than a Binding Provision, regulation, statute or official directive which provides for relief on equitable or like grounds where the relevant Seller or Servicer was acting in accordance with the standards and practices suitable for a prudent lender in the business of making retail home loans); or

(b) not acting in accordance with the standards and practices suitable for a prudent lender in the business of making retail home loans,

then the Servicer must notify the Covered Bond Guarantor and the Trust Manager of its opinion or the making of such an order, decision, finding, judgment or determination (as applicable). In addition, the relevant Seller or

Servicer (as the case may be) must pay damages to the Covered Bond Guarantor by 10.00 a.m. on the Distribution Date next occurring after agreement as to the amount of such damages, as described in the following paragraphs.

The amount of such damages will be the amount agreed between the Covered Bond Guarantor (following consultation with the Trust Manager or acting on expert advice taken pursuant to the terms of the Establishment Deed, if necessary) and the relevant Seller or the Servicer, as the case may be (or, failing agreement, by the relevant Seller's or the Servicer's external auditors) as being sufficient to compensate the Covered Bond Guarantor for any losses suffered as a result of any release, reduction, variation or relief (as the case may be).

The amount of any damages cannot exceed the Current Principal Balance plus any accrued but unpaid interest in respect of the relevant Mortgage Loan (as recorded on the Mortgage Loan System) (calculated, in both cases, at the time of agreement between the Covered Bond Guarantor and the relevant Seller or the Servicer or by the relevant Seller's or the Servicer's external auditors, as the case may be).

Limitations on Servicer's liability

The Servicer will not incur any liability to any person in respect of any failure to act where such act will be hindered, prevented or forbidden by any present or future law. The Servicer will not be liable for, or be responsible to any person for any loss, damage, claim or demand incurred as a result of:

(a) the wilful default, fraud or negligence of the Security Trustee or the Covered Bond Guarantor (except, in the case of the Covered Bond Guarantor, where the Covered Bond Guarantor is the Servicer);

(b) any failure to perform or to do any act or thing which for whatsoever reason becomes impossible or impracticable for the Servicer to carry out or which by reason of any provision of any relevant present or future law of any place or any ordinance, rule, regulation or by-law made pursuant thereto or of any decree, order or judgment of any competent court or other tribunal, the Servicer is hindered, prevented or forbidden from doing or performing;

(c) reliance by the Servicer in good faith upon any document, certificate, communication, notice, calculation, schedule, form, list, opinion, advice, statement, information or other document prepared or delivered to the Servicer by, among others, a Seller, the Covered Bond Guarantor or the Trust Manager or any agent or consultant of a Seller, the Covered Bond Guarantor or the Trust Manager (including any barristers, solicitors, bankers, accountants, brokers, valuers and other persons believed by the Servicer in good faith to be expert or properly informed in relation to the matters upon which they are consulted);

(d) reliance by the Servicer upon any notice, resolution, direction, consent, certificate (including any certificate as to title, or as to any documents held, by the Covered Bond Guarantor or a mortgage insurer in respect of any Mortgage Insurance Policy), receipt, affidavit, statement, valuation report, other paper or document (including without limitation, any of same submitted or provided by the Covered Bond Guarantor or a Seller) which it has no reason to believe is not genuine, signed by the proper parties and with appropriate authority;

(e) any action taken by the Servicer in accordance with any written direction or instruction from the Security Trustee, the Covered Bond Guarantor or the Trust Manager; or

(f) for any payments made in good faith to any duly empowered fiscal authority of the Commonwealth of Australia or any State or Territory thereof or any other place for taxes or other charges upon the Trust or upon any Covered Bonds, Capital Units or Income Units of or with respect to any transaction under or arising from the Servicing Deed or any other Programme Document notwithstanding that any such payment ought or need not have been made,

except to the extent to which the loss, damage, claim or demand is caused by any fraud, negligence or wilful default by the Servicer.

The Servicer will not be liable for any loss incurred by the Covered Bond Guarantor or any other Secured Creditor or any other person except to the extent that such loss may be caused by a breach by the Servicer of any term of the Servicing Deed, any fraud, negligence or wilful default by the Servicer or any breach or default by any person appointed by the Servicer to perform its obligations under the Servicing Deed. The maximum amount which the Servicer will be liable to pay in respect of such breach, fraud, negligence or wilful default by the Servicer is the Current Principal Balance of the Mortgage Loan in respect of which such breach, fraud, negligence or wilful default occurred after taking into account any payment received by the Covered Bond Guarantor, or which the

Covered Bond Guarantor is entitled to receive or claim, under any Mortgage Insurance Policy relating to that Mortgage Loan. The Servicer's liability does not include any damages in respect of consequential loss. The Covered Bond Guarantor may only claim damages from the Servicer in accordance with the foregoing by written notice setting out the grounds for the claim together with details of the calculation of the loss incurred by the Covered Bond Guarantor as a result thereof. The Servicer must pay any amounts due in respect of its liability to the Covered Bond Guarantor within seven Local Business Days of receipt by it of such written notice (which will represent prima facie evidence of such amounts).

Interest Rate Shortfall Test

The Servicer will, if the Interest Rate Swaps are not in effect in accordance with their terms, determine on each Determination Date, having regard to:

(a) the fixed interest rate and the variable interest rate and any other discretionary rate or margin in respect of the Mortgage Loans which are Assets of the Trust which the Servicer proposes to set under the Servicing Deed for the Collection Period commencing on the Determination Date; and

(b) the other resources available to the Covered Bond Guarantor, including the Covered Bond Swap Agreements (if any) and the Reserve Fund (as advised by Trust Manager),

whether the Covered Bond Guarantor would receive an amount of income during the Collection Period commencing on the Determination Date which, when aggregated with the funds otherwise available to the Covered Bond Guarantor on the Distribution Date immediately following the Collection Period that commences on the Determination Date, is less than the amount which is the aggregate of: (i) the amount of interest which would be payable (or provisioned to be paid) by the Covered Bond Guarantor under the Intercompany Loan Agreement (or, if a Notice to Pay has been served on the Covered Bond Guarantor, the Covered Bond Guarantee), and the Demand Loan Agreement on the Distribution Date immediately following the Collection Period that commences on the Determination Date and the relevant amounts payable (or provisioned to be paid) to the Covered Bond Swap Providers under the Covered Bond Swap Agreements on the Distribution Date immediately following the Collection Period that commences on the Determination Date; and (ii) the other expenses payable (or provisioned to be paid) by the Covered Bond Guarantor on the Distribution Date immediately following the Collection Period that commences on the Determination Date ranking in priority to the amounts described in (i) in accordance with the relevant Priority of Payments applicable prior to a Covered Bond Guarantor Event of Default (the **Interest Rate Shortfall Test**). Any interest rate shortfall will be referred to as an **Interest Rate Shortfall**.

If the Servicer determines on any Determination Date that there is an Interest Rate Shortfall, it will give written notice to the Covered Bond Guarantor and the Sellers (copied to the Trust Manager, the Origination Manager and the Security Trustee), within five Local Business Days of the relevant Determination Date, of the amount of the Interest Rate Shortfall and the fixed interest rate and the variable interest rate and the other discretionary rates or margins which would, in the Servicer's opinion, need to be set in order for no Interest Rate Shortfall to arise on the next succeeding Determination Date, having regard to the date(s) on which the changes to the fixed interest rate and the variable interest rate and the other discretionary rates or margins would take effect, following which: (i) (subject to the Servicing Deed), the Servicer must, to the extent permitted by the terms of the relevant Loan Agreements and all applicable laws, set the fixed interest rate and the variable interest rate (as the case may be) and/or other discretionary rates or margins applicable to Mortgage Loans which are Assets of the Trust at such levels; and/or (ii) the Trust Manager may notify the Servicer, a Seller and the Origination Manager (if relevant) that, having regard to the obligations of the Covered Bond Guarantor and the amount of the Interest Rate Shortfall, further Mortgage Loan Rights should be offered by that Seller to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement to rectify the Interest Rate Shortfall, in which case:

(a) in the case of the PUMA Funds Seller, the Origination Manager will direct the PUMA Funds Seller to, and upon such direction the PUMA Funds Seller will, use all reasonable efforts to offer to sell in accordance with the Mortgage Sale Agreement sufficient Mortgage Loan Rights to ensure that there will not be an Interest Rate Shortfall on the next Determination Date; and

(b) in the case of the MBL Seller, it will use all reasonable efforts to offer to sell in accordance with the Mortgage Sale Agreement sufficient Mortgage Loan Rights to ensure that there will not be an Interest Rate Shortfall on the next Determination Date.

Yield Shortfall Test

The Servicer will, if at any time following an Issuer Event of Default (and for so long as such Issuer Event of Default continues unremedied) or the service of an Asset Coverage Test Breach Notice (which has not been deemed to be revoked), the Interest Rate Swaps are not in effect in accordance with their terms, determine on each Determination Date, having regard to the aggregate of:

(a) the fixed interest rate and the variable interest rate (as the case may be) and any other discretionary rate or margin, in respect of the Mortgage Loans forming part of the Assets of the Trust which the Servicer proposes to set under the Servicing Deed for the Collection Period commencing on the Determination Date; and

(b) the resources available to the Covered Bond Guarantor under the Covered Bond Swap Agreements (if any),

whether the Covered Bond Guarantor would receive an aggregate amount of interest from the Mortgage Loans which are Assets of the Trust and the amounts under the Covered Bond Swap Agreements during the Collection Period commencing on the Determination Date which would give a weighted average annual yield on the Mortgage Loans which are Assets of the Trust of at least equal to the Bank Bill Rate for the Collection Period commencing on the Determination Date plus 0.30 per cent. per annum (or such other percentage rate as may be determined from time to time by the Trust Manager and notified to each of the Covered Bond Guarantor, the Servicer and the Security Trustee and in respect of which the Issuer has issued a Rating Affirmation Notice) (the **Yield Shortfall Test**). Any yield shortfall shall be referred to as a **Yield Shortfall**.

If the Servicer determines that the Yield Shortfall Test will not be satisfied, it will give written notice to the Covered Bond Guarantor, the Trust Manager and the Security Trustee, within five Local Business Days of the relevant Determination Date, of the amount of the Yield Shortfall and the fixed interest rate and the variable interest rate and the other discretionary rates or margins which would, in the Servicer's opinion, need to be set in order for no Yield Shortfall to arise, and the Yield Shortfall Test to be satisfied, having regard to the date(s) on which the changes to the fixed interest rate and the variable interest rate and the other discretionary rates or margins would take effect, and at all times acting in accordance with the standards of a prudent lender in the business of making retail home loans. If the Covered Bond Guarantor or the Security Trustee notifies the Servicer that, having regard to the obligations of the Covered Bond Guarantor, the fixed interest rate and the variable interest rate and/or the other discretionary rates or margins should be increased, the Servicer must take all steps which are necessary and are in accordance with the standards and practices of a prudent lender in the business of making retail home loans to increase the fixed interest rate and the variable interest rate and/or any other discretionary rates or margins, including giving any notice which is required in accordance with the Mortgage Documents.

Remuneration

The Covered Bond Guarantor (acting on the directions of the Trust Manager) will, in accordance with the applicable Priority of Payments, pay an administration fee to the Servicer for the performance of its obligations under the Programme Documents, which will be agreed in writing between the Covered Bond Guarantor (acting on the directions of the Trust Manager), the Security Trustee and the Servicer from time to time. The Covered Bond Guarantor (acting on the directions of the Trust Manager) will on each Distribution Date, subject to the applicable Priority of Payments as further consideration for the Services supplied to it by the Servicer under the Servicing Deed reimburse the Servicer for all out-of-pocket costs, expenses and charges properly incurred by the Servicer in the performance of the Services, including any such costs, expenses or charges not reimbursed to the Servicer on any previous Distribution Date.

Collections

Each of the Bank and the Servicer acts as collecting agent for the Covered Bond Guarantor in respect of all payments in respect of the Mortgage Loan Rights forming part of the Assets of the Trust (including, without limitation, a Mortgage Loan Scheduled Payment).

If the Bank or the Servicer receives, during a Collection Period, any money whatsoever arising from the Mortgage Loans Rights forming part of the Assets of the Trust which money belongs to the Covered Bond Guarantor, the Bank and the Servicer will hold such money on trust for the Covered Bond Guarantor and will ensure that all such moneys are capable of being readily identified at any time. All such amounts described above received by the Bank during a Collection Period must be credited to the GIC Account (i) if a Payment Redirection Event has been

declared by the Covered Bond Guarantor as described below, within two Local Business Days of receipt; or (ii) otherwise for so long as the Bank has a short-term deposit rating of at least P-1 from Moody's and a short-term credit rating of at least F1 from Fitch or a long-term credit rating of at least A- from Fitch, no later than one Business Day before the Distribution Date immediately following the end of that Collection Period or, in any other case, within two Local Business Days of receipt. All such amounts described above received by the Servicer during a Collection Period must be paid (i) if a Payment Redirection Event has been declared by the Covered Bond Guarantor as described below, to the Trust Account specified to the Sellers by the Covered Bond Guarantor; or (ii) otherwise, to the Bank to be dealt with by the Bank in the manner described above, in each case, as soon as practicable within two Local Business Days of receipt.

Similarly, if a Seller receives during a Collection Period any money whatsoever arising from any Mortgage Loan Rights which are Assets of the Trust, which money belongs to the Covered Bond Guarantor and is to be paid to the Covered Bond Guarantor pursuant to the Servicing Deed or any of the other Programme Documents or otherwise, it will hold such moneys on trust for the Covered Bond Guarantor and will ensure that all such moneys are capable of being readily identified at any time, and will pay such amounts (i) if a Payment Redirection Event has been declared by the Covered Bond Guarantor as described below, to the Trust Account specified to the Sellers by the Covered Bond Guarantor; or (ii) otherwise, to the Bank to be dealt with by the Bank in the manner described in the preceding paragraph, in each case, as soon as practicable within two Local Business Days of receipt.

The PUMA Funds Seller and the Covered Bond Guarantor must ensure that if Perpetual Limited receives during a Collection Period any money whatsoever arising from any Mortgage Loan Rights which are Assets of the Trust, which money belongs to the Covered Bond Guarantor and is to be paid to the Covered Bond Guarantor pursuant to the Servicing Deed or any of the other Programme Documents or otherwise, Perpetual Limited will hold such moneys on trust for the Covered Bond Guarantor and will ensure that all such moneys are capable of being readily identified at any time, and Perpetual Limited will pay such amounts (i) if a Payment Redirection Event has been declared by the Covered Bond Guarantor as described below, to the Trust Account specified to Perpetual Limited by the Covered Bond Guarantor; or (ii) otherwise, to the Bank to be dealt with by the Bank in the manner described above, in each case, as soon as practicable within two Local Business Days of receipt.

A payment redirection event (**Payment Redirection Event**) occurs:

(a) if an Insolvency Event occurs in relation to the Bank; or

(b) if the Bank's unsecured, unsubordinated, long-term senior debt obligations have been downgraded below BBB- by Fitch (or such other rating in respect of the Bank as is agreed between the Trust Manager and the Bank and in respect of which the Issuer has issued a Rating Affirmation Notice in respect of each Rating Agency).

If a Payment Redirection Event (of which the Covered Bond Guarantor is actually aware) is subsisting, the Covered Bond Guarantor must, as soon as is practicable, by notice in writing to the Sellers, the Issuer, the Servicer, the Trust Manager, the Security Trustee and each Rating Agency declare that a Payment Redirection Event has occurred unless the Issuer issues a Rating Affirmation Notice prior to the declaration in respect of such Payment Redirection Event. If, and only if, such a declaration is made by the Covered Bond Guarantor, the Covered Bond Guarantor and the Trust Manager must as soon as practicable, notify the relevant Borrowers that they should make payment to the Trust Account specified to them by the Covered Bond Guarantor.

Removal or resignation of the Servicer

A servicer default (**Servicer Default**) occurs if:

(a) the Servicer fails to remit any amounts due or any other amounts received in respect of the Mortgage Loan Rights then forming part of the Assets of the Trust to the Covered Bond Guarantor within the time periods specified in the Servicing Deed or the other Programme Document and such failure is not remedied within five Local Business Days (or such longer period as the Covered Bond Guarantor and the Trust Manager may agree to) of notice of such failure being given to the Servicer by the Trust Manager or the Covered Bond Guarantor;

(b) the Servicer fails to prepare and transmit a Reporting Statement by its due date and such failure is not remedied within 20 Local Business Days (or such longer period as the Covered Bond Guarantor and the Trust Manager may agree to) of notice being given to the Servicer by the Trust Manager or the Covered Bond Guarantor and such failure, as determined by the Security Trustee, acting on the directions of the Bond Trustee (subject to the provisions of the Bond Trust Deed) if there are Covered Bonds outstanding,

is materially prejudicial to the Covered Bondholders or acting on the directions of the Majority Secured Creditors (if there are no Covered Bonds outstanding), is materially prejudicial to the Secured Creditors;

(c) an Insolvency Event occurs in relation to the Servicer; or

(d) the Servicer has breached its obligations (other than those referred to in paragraphs (a) and (b) above), as Servicer under a Programme Document to which it is expressed to be a party and such breach in the opinion of the Security Trustee, acting on the directions of the Bond Trustee (subject to the provisions of the Bond Trust Deed) if there are Covered Bonds outstanding, is materially prejudicial to the Covered Bondholders or acting on the directions of the Majority Secured Creditors (if there are no Covered Bonds outstanding), is materially prejudicial to the Secured Creditors and:

(i) that breach is not remedied to the Security Trustee's satisfaction within 20 Local Business Days after receipt by the Servicer of a notice in writing from the Trust Manager, the Covered Bond Guarantor or the Security Trustee requiring it to do so; or

(ii) the Servicer has not paid compensation to the Covered Bond Guarantor for its loss from such breach in an amount satisfactory to the Trust Manager (acting reasonably).

If the Trust Manager or the Covered Bond Guarantor has determined that:

(a) the performance by the Servicer of its duties under the Servicing Deed is no longer permissible under any applicable law and the Trust Manager or the Covered Bond Guarantor, as applicable, is satisfied that there is no reasonable action which the Servicer could take to make the performance of its duties under the Servicing Deed permissible under that applicable law; or

(b) a Servicer Default has occurred and is continuing,

then the Trust Manager or the Covered Bond Guarantor, as applicable, must by written notice to the Servicer, immediately terminate the rights and obligations of the Servicer and appoint another appropriately qualified organisation to act in its place.

The Servicer will, within 10 Local Business Days after it becomes aware of any Servicer Default, give notice to the Covered Bond Guarantor, the Trust Manager, the Security Trustee and the Rating Agencies (and the Trust Manager must give notice to the Bond Trustee).

The Servicer may retire from its obligations and duties assumed by it pursuant to the Servicing Deed by three months' notice in writing to the Security Trustee, the Covered Bond Guarantor and the Trust Manager (or such lesser time as the Servicer, the Trust Manager and the Covered Bond Guarantor agree). Upon its retirement the Servicer may, subject to any approval required by law, appoint in writing another person approved by the Covered Bond Guarantor (acting reasonably) as Substitute Servicer in its place. If the Servicer does not propose a replacement by the date which is one month prior to the date of its proposed retirement, the Covered Bond Guarantor is entitled to appoint a Substitute Servicer as of the date of the proposed retirement.

Upon any retirement or removal of the Servicer or appointment of a Substitute Servicer pursuant to the Servicing Deed, the Trust Manager will give or cause to be given prompt notice of that retirement, removal or appointment to the Trust Manager, the Security Trustee, the Bond Trustee and each Rating Agency.

The purported appointment of a Substitute Servicer in the event of the termination or resignation of the Servicer has no effect until the Substitute Servicer executes an agreement under which it covenants to act as Servicer in accordance with the Servicing Deed and all other Programme Documents to which the Servicer is a party and the Issuer issues a Rating Affirmation Notice in relation to each Rating Agency in respect of the proposed appointment of the Substitute Servicer. Until the appointment of the Substitute Servicer is complete the Covered Bond Guarantor must act as Servicer, provided that at the time the Covered Bond Guarantor is required to so act, the Trust Manager and the Covered Bond Guarantor (acting reasonably) have agreed a fee in writing to be paid to the Covered Bond Guarantor for the period during which the Covered Bond Guarantor is required to so act. While acting as Servicer, the Covered Bond Guarantor will not be liable for any inability to perform or deficiency in performing its duties and obligations as the Servicer or any representation or warranty it made being incorrect or misleading when made or repeated as a result of, amongst other things, a breach by the outgoing Servicer of its obligations, the state of affairs, books and records of the outgoing Servicer and any documents or files delivered by it (including, the inaccuracy or incompleteness thereof) or the inability of the Covered Bond Guarantor to obtain access to information, premises or equipment reasonably necessary for it to perform its obligations.

For so long as the Servicer is MSL or another unrated subsidiary of the Bank, if the Bank's (a) counterparty risk assessment from Moody's is below Baa3 or, if the Bank does not have a counterparty risk assessment from Moody's, its unsecured, unsubordinated, long-term senior debt obligations have been downgraded below Baa3 by Moody's; or (b) unsecured, unsubordinated, long-term senior debt obligations have been downgraded below BBB- by Fitch, the Servicer undertakes to use all reasonable endeavours to enter into stand-by servicing arrangements with an appropriately qualified organisation approved by the Bank, the Trust Manager and the Covered Bond Guarantor (acting reasonably) and notified, by the Trust Manager, to each Rating Agency.

Neither the Security Trustee, the Covered Bond Guarantor nor the Trust Manager (where the Trust Manager is not the Servicer) or their respective delegates (as the case may be) is liable for any Servicer Default except to the extent that the Servicer Default is caused by the Security Trustee's, the Covered Bond Guarantor's or the Trust Manager's or their respective delegate's (as the case may be) fraud, negligence or wilful default.

The Covered Bond Guarantor may settle with the Servicer the amount of any sums payable by the Servicer to the Covered Bond Guarantor or by the Covered Bond Guarantor to the Servicer and may give to or accept from the Servicer a discharge in respect of those sums which will be conclusive and binding as between the Covered Bond Guarantor and the Servicer and as between the Servicer and each other Secured Creditor. The Servicer and the Trust Manager have agreed to provide their full co-operation in the event of the appointment of a Substitute Servicer. Following the removal or retirement of the Servicer in accordance with the Servicing Deed, the Servicer and the Trust Manager must (subject to the Privacy Act and the Servicer's duty of confidentiality to its customers under general law or otherwise) provide the Substitute Servicer with copies of all paper and electronic files, information and other materials in its possession (or in the possession or control of its attorney, delegate, agent or sub-agent) relating to the Trust provided that the Servicer and the Trust Manager are entitled, prior to delivery, to take and retain for their own purposes and at their own expense, but without causing material delay, a copy of any of the foregoing.

The Security Trustee will not assume or have any of the obligations or liabilities of the Servicer, the Sellers or the Covered Bond Guarantor.

The Servicing Deed is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Cover Pool Monitor Agreement

Under the terms of the Cover Pool Monitor Agreement entered into on or about the Programme Date between the Cover Pool Monitor, the Covered Bond Guarantor, the PUMA Funds Seller, the Trust Manager, the Bank (in its capacity as Issuer and MBL Seller), the Bond Trustee and the Security Trustee, the Cover Pool Monitor has agreed, subject to receipt of the information to be provided by the Trust Manager to the Cover Pool Monitor, to report factual findings of completion of certain agreed upon procedures, including with respect to the verification of the calculations performed by the Trust Manager in respect of the Asset Coverage Test or the Amortisation Test, as applicable, and the Legislated Collateralisation Test as soon as reasonably practicable following the Determination Date immediately following 30 September (and additionally, in the case of the Asset Coverage Test and the Legislated Collateralisation Test, 31 March) of each calendar year and in any event before the later to occur of:

(a) 20 Local Business Days following receipt of certain required information in accordance with the Cover Pool Monitor Agreement; and

(b) 31 May of that calendar year, in the case of the Determination Date immediately following 31 March or 30 November of that calendar year, in the case of the Determination Date immediately following 30 September of that calendar year,

for the purposes of determining compliance or non-compliance by the Covered Bond Guarantor with the Asset Coverage Test or the Amortisation Test, as applicable, and the Legislated Collateralisation Test on that Determination Date. In the case of the Asset Coverage Test and the Amortisation Test, the relevant test to be conducted by the Cover Pool Monitor depends on whether the Determination Date falls prior to or after a Notice to Pay is served on the Covered Bond Guarantor.

The Cover Pool Monitor has also agreed, subject to receipt of the information to be provided by the Trust Manager to the Cover Pool Monitor, in respect of the period commencing on the Programme Date and ending on the earlier of the immediately following 31 March or 30 September, and each subsequent six month period ending 31 March or 30 September of each calendar year, or any other period agreed between the Trust Manager and Cover Pool

Monitor from time to time (each, an **Assessment Period**) as soon as reasonably practicable following the end of each Assessment Period, to perform the functions of the cover pool monitor in respect of the Assets of the Trust (for the purposes of the Australian Banking Act) to:

(a) assess the keeping by the Trust Manager of an accurate register of the Assets of the Trust; and

(b) assess the Issuer's compliance with sections 31 and 31A of the Australian Banking Act,

in each case, in respect of that Assessment Period.

The Cover Pool Monitor must carry out the assessments above with a view to providing a report in accordance with the Cover Pool Monitor Agreement and may use sampling in accordance with the auditing standards made under the Australian Corporations Act in carrying out such assessment.

If the (a) counterparty risk assessment of the Issuer falls below Baa3(cr) from Moody's or, if the Issuer does not have a counterparty risk assessment from Moody's, the long-term, unsecured, unguaranteed and unsubordinated debt obligation credit rating of the Issuer falls below Baa3 by Moody's or (b) long-term, unsecured, unguaranteed and unsubordinated debt obligation credit rating of the Issuer falls below BBB- by Fitch (and for as long as they remain below such counterparty risk assessment and/or credit ratings, as applicable), the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, be required to report on the results of performance of the agreed upon procedures with respect to the Asset Coverage Test and the Amortisation Test referred to above as soon as reasonably practicable (and in any event not later than 10 Local Business Days following receipt of the relevant information from the Trust Manager) following every Determination Date after any such downgrade.

If results of performance of the agreed upon procedures with respect to the Asset Coverage Test and the Amortisation Test conducted by the Cover Pool Monitor reveals arithmetic errors in the relevant calculations performed by the Trust Manager such that the Asset Coverage Test or the Amortisation Test was not satisfied on the applicable Determination Date (where the Trust Manager had recorded it as being satisfied) or the reported Adjusted Aggregate Mortgage Loan Amount or the reported Amortisation Test Aggregate Mortgage Loan Amount is mis-stated by the Trust Manager by an amount exceeding 1 per cent. of the actual Adjusted Aggregate Mortgage Loan Amount or the actual Amortisation Test Aggregate Mortgage Loan Amount, as applicable, (as at the date of the relevant Asset Coverage Test or the relevant Amortisation Test), the Cover Pool Monitor will be required to conduct such tests in respect of every Determination Date for a period of six months after the date of the Asset Coverage Test and/or the Amortisation Test which included the relevant arithmetic errors.

The Cover Pool Monitor will be entitled to assume that all information provided to it by the Trust Manager for the purpose of performance of the agreed upon procedures referred to above is true and correct and complete and not misleading, and is not required to conduct and audit or other examination in respect of or otherwise take steps to verify the accuracy or completeness of such information, except that the Cover Pool Monitor will be required to advise the Trust Manager if it has not been provided with any of the information required to be provided by the Trust Manager in accordance with the Cover Pool Monitor Agreement. The Cover Pool Monitor Report, together with the reports prepared in respect of the records of the Assets of the Trust kept by the Trust Manager, will be delivered to the Issuer, the Sellers, the Trust Manager, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee. The Issuer and/or the Bond Trustee may also provide any reports received from the Cover Pool Monitor with respect to:

(a) the keeping by the Trust Manager of an accurate register of the Assets of the Trust; and

(b) the Issuer's compliance with sections 31 and 31A of the Australian Banking Act,

to the Covered Bondholders from time to time. The Cover Pool Monitor is also required, following a written request from APRA, to provide copies of any such reports relating to the cover pool in accordance with the Cover Pool Monitor Agreement to APRA.

Pursuant to the Cover Pool Monitor Agreement, the Cover Pool Monitor has undertaken to:

(a) exercise reasonable skill and care in the performance of its obligations under the Cover Pool Monitor Agreement;

(b) to the extent permitted by law, comply with all material legal and regulatory requirements applicable to the conduct of its business so that it can lawfully attend to the performance of its obligations under the Cover Pool Monitor Agreement; and

(c) at all times:

(i) be registered as an auditor under part 9.2 of the Australian Corporations Act; or

(ii) hold an Australian Financial Services Licence which licence extends to the provision of financial services as Cover Pool Monitor; or

(iii) be exempt from holding an Australian Financial Services Licence which exemption extends to the provision of financial services as Cover Pool Monitor.

The Covered Bond Guarantor will pay to the Cover Pool Monitor a fee for performing its obligations under the Cover Pool Monitor Agreement calculated based on the time spent performing those obligations agreed in writing from time to time between the Cover Pool Monitor, the Covered Bond Guarantor and the Trust Manager.

The Trust Manager may, at any time: (i) with the prior written consent of the Security Trustee, terminate the appointment of the Cover Pool Monitor by giving 40 Local Business Days prior written notice to the Cover Pool Monitor or (ii) terminate the appointment of the Cover Pool Monitor if the Cover Pool Monitor is unable or unwilling to comply with the requirements set out in section 30(2) or 30(3) of the Australian Banking Act, provided that, in each case, such termination may not be effective unless and until a replacement has been found by the Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Trust Manager (such a replacement to be approved by the Security Trustee who must give such approval if the replacement is an accountancy firm of national standing in Australia or a firm recognised as having expertise in managing assets on behalf of investors) which agrees to perform the duties (or substantially similar duties) of the Cover Pool Monitor set out in the Cover Pool Monitor Agreement.

The Cover Pool Monitor may, at any time, resign by giving 20 Local Business Days prior written notice to the Issuer, the Covered Bond Guarantor, the Trust Manager, the Bond Trustee and the Security Trustee (copied to the Rating Agencies), except that such 20 Local Business Days' notice period will not be required if: (i) the Covered Bondholders agree to the resignation of the Cover Pool Monitor by Extraordinary Resolution or; (ii) the Cover Pool Monitor is required to resign pursuant to the applicable professional standards to which it is subject at the time of such resignation.

Upon giving notice of termination or receiving notice of resignation, the Trust Manager must use its best endeavours to promptly appoint a substitute Cover Pool Monitor pursuant to an agreement on substantially the same terms as the terms of the Cover Pool Monitor Agreement, to provide the services set out in the Cover Pool Monitor Agreement. If a substitute Cover Pool Monitor is not appointed by the date which is 20 Local Business Days prior to a Determination Date in respect of which the Trust Manager's calculations are to be verified in accordance with the terms of the Cover Pool Monitor Agreement, then the Trust Manager will use all reasonable endeavours to appoint an accountancy firm of national standing in Australia or a firm recognised as having expertise in managing assets on behalf of investors to carry out the relevant tests on a one-off basis. The Trust Manager must promptly notify the Rating Agencies of the appointment of any substitute Cover Pool Monitor or firm to carry out the relevant tests.

None of the Covered Bond Guarantor, the Bond Trustee nor the Security Trustee will be obliged to act as Cover Pool Monitor or to monitor or supervise the performance by the Cover Pool Monitor in any circumstances.

The Cover Pool Monitor Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Establishment Deed

The Establishment Deed, made between the Covered Bond Guarantor, the PUMA Funds Seller, the Trust Manager, and the Bank (as Issuer and as MBL Seller), establishes the Trust and provides that the Covered Bond Guarantor will be the trustee of the Trust. Pursuant to the Establishment Deed, the Trust is established for purposes relating only to the Covered Bonds including: (i) the acquisition, management and sale of, amongst other things, Mortgage Loan Rights; (ii) the borrowing of moneys to fund the acquisition of such assets; (iii) the hedging of risks associated with such assets and such funding; (iv) the acquisition, management and sale of Substitution Assets and Authorised Investments; (v) the giving of guarantees in respect of any Covered Bonds (including the

Covered Bond Guarantee); (vi) the granting of security to secure repayment of any Covered Bonds and other liabilities in connection with the Programme; and (vii) any other purpose which is ancillary or incidental to the activities set out above.

Unitholders

The beneficial interest in the Assets of the Trust is vested in the Income Unitholder as holder of the Income Unit and the Capital Unitholder as holder of the Capital Unit. The Bank is the initial holder of both the Income Unit and the Capital Unit. Pursuant to the Establishment Deed, the Income Unitholder is entitled to distributions of the Net Trust Income, if any, of the Trust in respect of each Financial Year. The Capital Unitholder's interest in the Trust comprises (i) an interest in each Asset of the Trust remaining after payment of any amount due to the Income Unitholder in satisfaction of the Income Unitholder's entitlement to the Net Trust Income of the Trust; and (ii) except to the extent included in (i), on the termination of the Trust, the capital of the Trust remaining after the payment (or the provision for payment) of all other outgoings and amounts by the Covered Bond Guarantor.

The right of any Unitholder to recover any amounts in respect of its interests described above is limited to the Assets of the Trust available for distribution after payments or distributions have been made to all other parties under the relevant Priorities of Payment (except, in the case of the Income Unitholder, the Capital Unitholder).

The Capital Unit is non-transferable. The Income Unit may be transferred at any time, provided that the Income Unitholder is only entitled to transfer the Income Unit if the offer for sale, or the invitation to purchase the Income Unit, to the proposed transferee:

(a) is not made to a person who is a "retail client" (as defined in section 761G of the Australian Corporations Act); and

(b) complies with all applicable laws in all jurisdictions in which the offer or invitation is made.

A transfer of the Income Unit is not effective unless the name of the proposed transferee has been entered in the Unit Register by the Covered Bond Guarantor. The Covered Bond Guarantor may refuse to so enter a transferee's name for certain reasons set out in the Establishment Deed.

Asset Coverage Test

Under the terms of the Establishment Deed, the Trust Manager must ensure that, for so long as Covered Bonds remain outstanding, on each Determination Date prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Adjusted Aggregate Mortgage Loan Amount is at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date by the Trust Manager (the **Asset Coverage Test**). The Asset Coverage Test will also be calculated by the Trust Manager at any other time required for the purposes of determining if the Senior Demand Loan Component can be repaid.

If on any Determination Date (the **First Determination Date**) prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Adjusted Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on such date by the Trust Manager, then the Asset Coverage Test as calculated on that First Determination Date will not be satisfied and the Trust Manager must immediately notify the Covered Bond Guarantor, the Bank, each Seller from which it proposed to acquire further Mortgage Loan Rights, the Origination Manager (if relevant), the Bond Trustee and the Security Trustee in writing and, in the case of paragraph (a) below, use all reasonable endeavours to arrange for the Covered Bond Guarantor to, and in the case of paragraphs (b) and (c) below, direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must:

(a) acquire sufficient further Mortgage Loan Rights from each such Seller in accordance with the Mortgage Sale Agreement (see the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Sale by the Sellers of Mortgage Loan Rights*" in this Prospectus); and/or

(b) purchase Substitution Assets; and/or

(c) make drawings under the Demand Loan Agreement,

in each case, in order to ensure that the Asset Coverage Test is satisfied on any date on or before the immediately following Determination Date (the **Second Determination Date**) (by reference to the Adjusted Aggregate Mortgage Loan Amount and the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of all Covered Bonds, in each case as calculated on such date).

If the Covered Bond Guarantor, acting on the directions of the Trust Manager, has not taken sufficient action by the Second Determination Date, such that the Asset Coverage Test remains unsatisfied on the Second Determination Date, then the Trust Manager must immediately notify the Covered Bond Guarantor, the Bank, each Seller, the Bond Trustee and the Security Trustee in writing and the Bond Trustee must serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (subject to the Bond Trustee receiving notification from the Trust Manager or, if earlier, having actual knowledge or express notice that the Asset Coverage Test remains unsatisfied). The Bond Trustee will be deemed to revoke an Asset Coverage Test Breach Notice if, on the next Determination Date to occur following the service of an Asset Coverage Test Breach Notice, the Asset Coverage Test is satisfied and neither a Notice to Pay nor a Covered Bond Guarantee Acceleration Notice has been served. If the Bond Trustee is deemed to revoke an Asset Coverage Test Breach Notice, the Covered Bond Guarantor must immediately notify the Bond Trustee in writing.

Following service of an Asset Coverage Test Breach Notice (for so long as it has not been deemed to be revoked in accordance with the preceding paragraph):

(a) the Covered Bond Guarantor may be required to sell Selected Mortgage Loan Rights (as further described under "Sale of Selected Mortgage Loan Rights following service of an Asset Coverage Test Breach Notice");

(b) prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice or, if earlier, the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice, the Pre-Acceleration Priority of Payments will be modified as more particularly described in "Cashflows - Allocation and distribution of Available Income Amount following service of an Asset Coverage Test Breach Notice" and "Cashflows – Allocation and distribution of Available Principal Amount following service of an Asset Coverage Test Breach Notice" below; and

(c) the Issuer will not be permitted to issue any further Covered Bonds.

If an Asset Coverage Test Breach Notice has been served and has not been deemed to be revoked as set out above on or before the next Determination Date to occur following the service of the Asset Coverage Test Breach Notice, then the Asset Coverage Test will be breached and an Issuer Event of Default will occur. The Bond Trustee will be entitled and in certain circumstances required to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor.

For the purposes of the above:

Adjusted Aggregate Mortgage Loan Amount means the amount calculated on each Determination Date as follows:

$$A + B + C + D + E - Z - Y$$

where:

A = means the lesser of:

(a) the aggregate of the LVR Adjusted Mortgage Loan Balance Amount of each Mortgage Loan forming part of the Assets of the Trust as at the Determination Date; and

(b) the aggregate of the Asset Percentage Adjusted Mortgage Loan Balance Amount of each Mortgage Loan forming part of the Assets of the Trust as at the Determination Date,

in each case, for the avoidance of doubt, excluding any Mortgage Loans being purchased by a Seller or the Bank (or the Bank's Nominee) on that Determination Date but including any Mortgage Loans being purchased by the Covered Bond Guarantor on that Determination Date.

The **LVR Adjusted Mortgage Loan Balance Amount** will be calculated for a Mortgage Loan, on the relevant Determination Date, as the product of:

(a) the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as at the last day of the immediately preceding Collection Period; and

(ii) 80 per cent. of the Indexed Valuation for the Land the subject of a Mortgage which secures the Mortgage Loan as at the last day of the immediately preceding Collection Period (but without double counting across Mortgage Loans); and

(b) M, where:

(i) unless sub-paragraph (ii) below applies, for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan, M = 1;

(ii) for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan where that Mortgage Loan was, in the immediately preceding Collection Period, known by the Covered Bond Guarantor or the Trust Manager to be in breach of the Representations and Warranties made by the Servicer in accordance with the Mortgage Sale Agreement in relation to that Mortgage Loan and the Servicer has not purchased, or procured the purchase of, the Mortgage Loan Rights to the extent required by the terms of the Mortgage Sale Agreement, M = zero; or

(iii) for each Mortgage Loan forming part of the Assets of the Trust that is then a Defaulted Mortgage Loan, M = zero,

The **Asset Percentage Adjusted Mortgage Loan Balance Amount** will be calculated for a Mortgage Loan, on the relevant Determination Date, as the product of:

(a) the Asset Percentage (as defined below); and

(b) the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as at the last day of the immediately preceding Collection Period; and

(ii) 100 per cent. of the Latest Valuation for the Land the subject of a Mortgage which secures the Mortgage Loan as at the last day of the immediately preceding Collection Period (but without double counting across Mortgage Loans); and

(c) M, where:

(i) unless sub-paragraph (ii) below applies, for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan, M = 1;

(ii) for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan where that Mortgage Loan was, in the immediately preceding Collection Period, known by the Covered Bond Guarantor or the Trust Manager to be in breach of the Representations and Warranties made by the Servicer in accordance with the Mortgage Sale Agreement in relation to that Mortgage Loan and the Servicer has not purchased, or procured the purchase of, the Mortgage Loan Rights to the extent required by the terms of the Mortgage Sale Agreement, M = zero; or

(iii) for each Mortgage Loan forming part of the Assets of the Trust that is then a Defaulted Mortgage Loan, M = zero;

B = the aggregate amount of any proceeds of any Term Advances and/or any Demand Loan Advances which have not been applied as at the Determination Date;

C = the aggregate principal balance of any Substitution Assets and Authorised Investments as at the relevant Determination Date;

D = the aggregate amount of Principal Collections collected by the Bank and/or Servicer during the immediately preceding Collection Period and credited, or to be credited on the immediately following Distribution Date, to the GIC Account but excluding any amounts due to be applied on or before the immediately succeeding Distribution Date in accordance with the applicable Priority of Payments;

E = the aggregate amount as at the Determination Date of: (i) Sale Proceeds credited to the GIC Account (including the amount of any Sale Proceeds standing to the credit of the Pre-Maturity Ledger); and (ii) any remaining Available Principal Amount credited to the GIC Account in accordance with paragraph (d) of the Pre-Acceleration Principal Priority of Payments (without double counting any amounts already covered in B and D above);

Z =

(a) for so long as the Interest Rate Swaps are in effect in accordance with its terms, zero; or

(b) otherwise, the product of:

(i) the weighted average remaining maturity of all Covered Bonds (expressed in years) then outstanding calculated by the Trust Manager as at the Determination Date (provided that if the weighted average remaining maturity of all Covered Bonds (expressed in years) then outstanding is less than one, such weighted average remaining maturity will be deemed for the purposes of this calculation, to be one); and

(ii) the Australian Dollar Equivalent of the then aggregate Principal Amount Outstanding of the Covered Bonds; and

(iii) the then Negative Carry Factor, where the **Negative Carry Factor** is the percentage rate per annum equal to the sum of:

(A) 0.50 per cent.; and

(B) the weighted average of the Relevant Spread of each Series of Covered Bonds then outstanding determined by reference to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the applicable Series of Covered Bonds,

where the **Relevant Spread** is:

(1) in the case of a Series of floating rate Covered Bonds the Specified Currency of which is Australian Dollars and in respect of which no Covered Bond Swap has been entered into, the Margin for the Series specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement); and

(2) in any other case the Floating Rate Payer Spread, in the applicable Covered Bond Swap; and

Y = where a Seller, in any preceding Collection Period, was in material breach of any other warranty under the Mortgage Sale Agreement and/or the Servicer was, in any preceding Collection Period, in material breach of a term of the Servicing Deed, an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Collection Period (such financial loss to be calculated by the Trust Manager without double counting and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by that Seller or by the Servicer (as applicable) to indemnify the Covered Bond Guarantor for such financial loss).

For the purposes of the above, the **Asset Percentage** means, on any Determination Date, the lesser of:

(a) 95 per cent.;

(b) such percentage figure determined on or about the Programme Date and on each Determination Date thereafter falling in February, May, August and November of each year (and on such other dates as may be agreed between the Issuer and the Trust Manager) in accordance with the terms of the Establishment Deed, being the percentage figure that is necessary to ensure that the Covered Bonds maintain the then current ratings assigned to them by Fitch; and

(c) such percentage figure as may be selected by the Trust Manager, from time to time, in accordance with the terms of the Establishment Deed, and notified to Moody's and the Security Trustee on the Determination Date, or if no notification is made to Moody's and the Security Trustee on such Determination Date, on the last date of such notification. If the Trust Manager so elects to notify Moody's and the Security Trustee of a new percentage figure (without being obliged to so elect), this percentage figure will be the difference between 100 and the percentage amount of credit enhancement that is necessary to ensure that there is sufficient credit enhancement for the Covered Bonds to achieve an Aaa rating by Moody's using Moody's expected loss methodology (regardless of the actual Moody's rating of the Covered Bonds at the time); and

(d) such other percentage figure as may be determined by the Issuer from time to time and notified to each of the Covered Bond Guarantor and the Trust Manager.

There is no obligation on the Covered Bond Guarantor, the Trust Manager or the Issuer to ensure that an AAA rating (or the then current rating of the Covered Bonds) is maintained by Fitch or an Aaa rating (or the then current rating of the Covered Bonds) is maintained by Moody's. Neither the Issuer nor the Trust Manager is under an obligation to change the percentage figure determined or selected by it and notified to Fitch or to Moody's and the Security Trustee, in each case in accordance with the foregoing paragraph, in line with the level of credit enhancement required to ensure an AAA rating is maintained by Fitch or an Aaa rating by Moody's in respect of the Covered Bonds.

Amortisation Test

The Trust Manager must ensure that for so long as Covered Bonds are outstanding on each Determination Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Amortisation Test Aggregate Mortgage Loan Amount will be at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date (the **Amortisation Test**).

If on any Determination Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Amortisation Test Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date, the Amortisation Test will not be satisfied and a Covered Bond Guarantor Event of Default will occur. The Trust Manager must immediately notify the Covered Bond Guarantor and the Security Trustee and (if any Covered Bonds are outstanding) the Bond Trustee of any breach of the Amortisation Test.

The **Amortisation Test Aggregate Mortgage Loan Amount** will be calculated by the Trust Manager on each Determination Date following the service of a Notice to Pay on the Covered Bond Guarantor as follows:

$$A + B + C - Z$$

where:

A = the aggregate of the **Amortisation Test Current Principal Balance** of each Mortgage Loan, which will be the product of:

(a) the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as calculated on the last day of the immediately preceding Collection Period; and

(ii) 80 per cent. of the Indexed Valuation for the Land the subject of a Mortgage which secures the Mortgage Loan as at the last day of the immediately preceding Collection Period (but without double counting across Mortgage Loans); and

(b) M, where:

(i) for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan, M = 1; or

(ii) for each Mortgage Loan forming part of the Assets of the Trust that is then a Defaulted Mortgage Loan, M = zero;

B = the sum of the amount of any cash standing to the credit of the GIC Account and the principal amount of any Authorised Investments (excluding any Finance Charge Collections received in the immediately preceding Collection Period and any principal amounts due to be applied on or before the next Distribution Date in accordance with the applicable Priority of Payments);

C = the aggregate principal balance of any Substitution Assets not taken into account elsewhere in this calculation; and

Z =

(a) for so long as the Interest Rate Swaps are in effect in accordance with its terms, zero; or

(b) otherwise, the product of:

(i) the weighted average remaining maturity of all Covered Bonds (expressed in years) then outstanding; and

(ii) the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds; and

(iii) the Negative Carry Factor.

Legislated Collateralisation Test

For so long as any Covered Bonds are outstanding, the Issuer must ensure that on each Determination Date, the Legislated Asset Amount will be at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date (the **Legislated Collateralisation Test**). The Trust Manager will perform all calculations required in respect of the Legislated Collateralisation Test on each Determination Date and any other date on which it is required to do so under any Programme Document.

The **Legislated Asset Amount** means the amount calculated on each Determination Date as follows (or as may otherwise be determined by the Issuer so as to comply with the requirements of section 31A of the Australian Banking Act):

$$(A + B + C + V + E) \times CP - AS$$

where:

A = the aggregate Legislated Mortgage Loan Balance Amount of each Mortgage Loan forming part of the Assets of the Trust as at the Determination Date, for the avoidance of doubt, excluding any Mortgage Loans being purchased by a Seller or the Bank (or the Bank's Nominee) on that Determination Date but including any Mortgage Loans being purchased by the Covered Bond Guarantor on that Determination Date;

The **Legislated Mortgage Loan Balance Amount** will be calculated for a Mortgage Loan, on the relevant Determination Date, as the product of:

(a) the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as at the last day of the immediately preceding Collection Period; and

(ii) 80 per cent. of the Latest Valuation of the Land which secures the Mortgage Loan (the **Relevant Mortgage Loan**) as at the last day of the immediately preceding Collection Period provided that to the extent that the Land also secures any other loans which rank, as against that Land, in priority to or equally with the Relevant Mortgage Loan (each, an **Additional Mortgage Loan**), then the Latest Valuation for that Land is to be discounted by multiplying it with the ratio of:

(A) the outstanding Current Principal Balance of the Relevant Mortgage Loan as at the last day of the immediately preceding Collection Period; to

(B) the aggregate outstanding Current Principal Balance of the Relevant Mortgage Loan and each Additional Mortgage Loan at the last day of the immediately preceding Collection Period; and

(b) M, where:

(i) unless sub-paragraph (ii) below applies, for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan, M = 1; or

(ii) for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan where that Mortgage Loan was, in the immediately preceding Collection Period, known by the Trust Manager or the Covered Bond Guarantor to be in breach of the Representations and Warranties made by the Servicer in accordance with the Mortgage Sale Agreement in relation to that Mortgage Loan and the Servicer has not purchased, or procured the purchase of, the Mortgage Loan Rights to the extent required by the terms of the Mortgage Sale Agreement (for the avoidance of doubt, excluding any Mortgage Loans being purchased by a Seller or the Bank (or the Bank's Nominee) on such Determination Date but including any Mortgage Loans being purchased by the Covered Bond Guarantor on such Determination Date), M = zero; or

(iii) for each Mortgage Loan forming part of the Assets of the Trust that is then a Defaulted Mortgage Loan, M = zero;

less, where a Seller, in any preceding Collection Period, was in material breach of any other warranty under the Mortgage Sale Agreement and/or the Servicer was, in any preceding Collection Period, in material breach of a term of the Servicing Deed: an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Collection Period (such financial loss to be calculated by the Trust Manager without double counting and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by that Seller or by the Servicer (as applicable) to indemnify the Covered Bond Guarantor for such financial loss);

B = the aggregate amount of any proceeds of any Term Advances and/or any Demand Loan Advances which have not been applied as at the Determination Date;

C = the aggregate principal balance of any Substitution Assets and Authorised Investments as at the relevant Determination Date;

D = the aggregate amount of Principal Collections collected by the Bank and/or the Servicer during the immediately preceding Collection Period and credited, or to be credited on the immediately following Distribution Date, to the GIC Account but excluding any amounts due to be applied on or before the immediately succeeding Distribution Date in accordance with the applicable Priority of Payments;

E = the aggregate amount as at the Determination Date of (i) Sale Proceeds credited to the GIC Account (including the amount of any Sale Proceeds standing to the credit of the Pre-Maturity Ledger); and (ii) any remaining Available Principal Amount credited to the GIC Account in accordance with paragraph (d) of the Pre-Acceleration Principal Priority of Payments (without double counting any amounts already covered in B or D above);

CP = $\frac{1}{1.03}$; and

ASL = any amounts payable by the Covered Bond Guarantor in accordance with:

(a) paragraphs (a) to (e) (inclusive) of the Pre-Acceleration Income Priority of Payments and paragraphs (a) to (e) (inclusive) of the Pre-Acceleration Principal Priority of Payments;

(b) paragraphs (a) to (h) (inclusive) of the Guarantee Priority of Payments; or

(c) paragraphs (a) to (g) (inclusive) of the Post-Enforcement Priority of Payments,

whichever Priority of Payments is applicable at the relevant Determination Date.

The Issuer is required to comply with the minimum over-collateralisation requirements set out in the Australian Banking Act and, for that purpose, the Legislated Collateralisation Test as described above. As the Legislated Collateralisation Test is a minimum requirement, the Issuer expects that the Legislated Mortgage Loan Balance Amount will always be greater than the LVR Adjusted Mortgage Loan Balance Amount, Asset Percentage Mortgage Loan Balance Amount and Amortisation Test Aggregate Mortgage Loan Amount and accordingly, the Legislated Collateralisation Test will be satisfied in all circumstances in which the Asset Coverage Test or the Amortisation Test, as applicable, is satisfied.

Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached

The Establishment Deed provides for the sale of Selected Mortgage Loan Rights in circumstances where the Pre-Maturity Test has been breached in relation to a Series of Hard Bullet Covered Bonds. The Pre-Maturity Test will be breached in relation to a Series of Hard Bullet Covered Bonds if the Issuer's short-term deposit rating from Moody's falls to P-2 (or lower) or its short-term credit rating from Fitch is less than F1+ and the Final Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date. Following a breach of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds, the Trust Manager must (after taking into account the amount standing to the credit of the Pre-Maturity Ledger) direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must on that direction, immediately commence an offer process to sell Selected Mortgage Loan Rights to Purchasers, subject to the rights of pre-emption of the Bank to buy the Selected Mortgage Loan Rights pursuant to the terms of the Mortgage Sale Agreement and subject to any Pre-Maturity Demand Loan Advance having been made by the Demand Loan Provider from time to time in accordance with the Mortgage Sale Agreement (after taking into account, to the extent possible, any Available Income Amount or Available Principal Amount to be applied on the next Distribution Date as a credit to the Pre-Maturity Ledger in accordance with the Establishment Deed). The proceeds from any such sale that forms part of the Available Principal Amount will be credited to the Pre-Maturity Ledger and deposited into the GIC Account.

If the Issuer fully repays a Series of Hard Bullet Covered Bonds on their Final Maturity Date, any amount standing to the credit of the Pre-Maturity Ledger on the GIC Account in respect of the Series of Hard Bullet Covered Bonds following such repayment in full must be paid by the Covered Bond Guarantor, acting on the directions of the Trust Manager, directly to, or in accordance with the directions of, the Issuer, unless the Issuer is in breach of the Pre-Maturity Test in respect of any other Series of Hard Bullet Covered Bonds, in which case the Trust Manager must ensure that sufficient cash is retained on the Pre-Maturity Ledger in order to provide liquidity for that other Series of Hard Bullet Covered Bonds.

For a description of the Pre-Maturity Test, see "*Credit Structure – Pre-Maturity Test*" below.

Sale of Selected Mortgage Loan Rights following service of an Asset Coverage Test Breach Notice

Following service of an Asset Coverage Test Breach Notice (which has not been deemed to be revoked) (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Covered Bond Guarantor will, subject to first utilising the proceeds of any advance made by the Demand Loan Provider under the Demand Loan Agreement, be obliged to sell Selected Mortgage Loan Rights forming part of the Assets of the Trust to Purchasers in accordance with the Establishment Deed (as described below), subject to the rights of pre-emption in favour or the Bank to buy the Selected Mortgage Loan Rights pursuant to the Mortgage Sale Agreement. The proceeds from any such sale will be deposited into the GIC Account and applied as set out in the section "*Allocation and distribution of Available Income Amount and Available Principal Amount following service of an Asset Coverage Test Breach Notice*" in this Prospectus.

Sale of Selected Mortgage Loan Rights following service of a Notice to Pay

After a Notice to Pay has been served on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Covered Bond Guarantor will be obliged to sell Selected Mortgage Loan Rights forming part of the Assets of the Trust in accordance with the Establishment Deed (as described below), subject to the rights of pre-emption in favour of the Bank to buy the Selected Mortgage Loan Rights pursuant to the Mortgage Sale Agreement. The proceeds from any such sale will be deposited into the GIC Account and applied in accordance with the applicable Priority of Payments.

Method of Sale of Selected Mortgage Loan Rights

If the Covered Bond Guarantor is required to sell Selected Mortgage Loan Rights to Purchasers following the Demand Loan Provider requesting repayment of all or part of the Demand Loan (subject to satisfaction of the Asset Coverage Test), service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor, a breach of the Pre-Maturity Test or the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Trust Manager must ensure that before offering Selected Mortgage Loan Rights for sale:

(a) the Selected Mortgage Loan Rights are selected on a basis that is representative of the Mortgage Loan Rights forming part of the Assets of the Trust; and

(b) the Mortgage Loans relating to the Selected Mortgage Loan Rights have an aggregate Current Principal Balance in an amount (the **Required Current Principal Balance Amount**) which is as close as possible to the amount calculated as follows:

(i) following the service of an Asset Coverage Test Breach Notice (but prior to the service of a Notice to Pay), such amount that would ensure that, if the Mortgage Loans relating to the Selected Mortgage Loan Rights were sold at their Current Principal Balance plus the arrears of interest and accrued interest, the Asset Coverage Test would be satisfied on the next Determination Date taking into account the payment obligations of the Covered Bond Guarantor on the Distribution Date following that Determination Date; or

(ii) following a breach of the Pre-Maturity Test or service of a Notice to Pay:

$$N \times \frac{\text{Aggregate Current Principal Balance for all Mortgage Loans forming part of the Assests of the Trust}}{\text{Aggregate Australian Dollar Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding}}$$

where "**N**" is an amount equal to the Australian Dollar Equivalent of:

(x) in respect of Selected Mortgage Loan Rights being sold following a breach of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds but prior to service of a Notice to Pay on the Covered Bond Guarantor, the Required Redemption Amount of each Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached less amounts standing to the credit of the Pre-Maturity Ledger; or

(y) in respect of Selected Mortgage Loan Rights being sold following the service of a Notice to Pay on the Covered Bond Guarantor, the Required Redemption Amount of the Earliest Maturing Covered Bonds less amounts standing to the credit of the GIC Account and the principal amount of any Authorised Investments and Substitution Assets that have not been sold in accordance with the Establishment Deed (excluding all amounts to be applied on the next following Distribution Date to repay higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds) (see "*Limit on Investing in Substitution Assets and Authorised Investments*" below).

For the avoidance of doubt, the Selected Mortgage Loan Rights may comprise all of the Mortgage Loan Rights then forming part of the Assets of the Trust.

The Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, offer the Selected Mortgage Loan Rights for sale to Purchasers for the best price reasonably available but in any event:

(a) following the service of an Asset Coverage Test Breach Notice (but prior to the service of a Notice to Pay), for an amount not less than the Current Principal Balance of the Mortgage Loans relating to the Selected Mortgage Loan Rights plus the arrears of interest and any accrued interest; and

(b) following a breach of the Pre-Maturity Test or service of a Notice to Pay on the Covered Bond Guarantor, for an amount not less than the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds.

Following a breach of the Pre-Maturity Test or the service of a Notice to Pay on the Covered Bond Guarantor if the Selected Mortgage Loan Rights have not been sold (in whole or in part) in an amount equal to the Adjusted Required Redemption Amount by the date which is six months prior to, either:

(a) the Final Maturity Date in respect of the Earliest Maturing Covered Bonds (after taking into account all payments, provisions and credits to be made in priority thereto) (where the Covered Bonds are not subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee);

(b) the Extended Due for Payment Date in respect of the Earliest Maturing Covered Bonds (after taking into account all payments, provisions and credits to be made in priority thereto) (where the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee); or

(c) in respect of a sale in connection with a breach of the Pre-Maturity Test, the Final Maturity Date of the relevant Series of Hard Bullet Covered Bonds,

then the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, offer the Selected Mortgage Loan Rights for sale for the best price reasonably available notwithstanding that such amount may be less than the Adjusted Required Redemption Amount.

Following the service of a Notice to Pay on the Covered Bond Guarantor but prior to the occurrence of a Covered Bond Guarantor Event of Default, in addition to offering Selected Mortgage Loan Rights for sale to Purchasers in respect of the Earliest Maturing Covered Bonds, the Covered Bond Guarantor, acting on the directions of the Trust Manager (subject to the right of pre-emption in favour of the Bank in the Mortgage Sale Agreement), is permitted to offer for sale a portfolio of Selected Mortgage Loan Rights, in accordance with the provisions summarised above and below, in respect of other Series of Covered Bonds.

The Covered Bond Guarantor, acting on the directions of the Trust Manager, will also be permitted to offer for sale to Purchasers part of any portfolio of Selected Mortgage Loan Rights (a **Partial Portfolio**). Except in circumstances where the portfolio of Selected Mortgage Loan Rights is being sold within six months of, as applicable, the Final Maturity Date or, if the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee, the Extended Due for Payment Date in respect of the Series of Covered Bonds to be repaid from such proceeds, the sale price of the Partial Portfolio must (as a proportion of the Adjusted Required Redemption Amount) be at least equal to the proportion that the aggregate Current Principal Balance of the Mortgage Loans in the Partial Portfolio bears to the aggregate Current Principal Balance of the Mortgage Loans in the relevant portfolio of Selected Mortgage Loan Rights.

The Trust Manager will through a tender process appoint a portfolio manager of recognised standing on a basis intended to incentivise the portfolio manager to achieve the best price for the sale of the Selected Mortgage Loan Rights (if such terms are commercially available in the market) to advise the Covered Bond Guarantor in relation to the sale of the Selected Mortgage Loan Rights to Purchasers (except where the Bank (or the Bank's Nominee) is buying the Selected Mortgage Loan Rights in accordance with the Bank's right of pre-emption in the Mortgage Sale Agreement). The terms of the agreement giving effect to the appointment in accordance with such tender shall be approved by the Security Trustee. The Security Trustee must approve the appointment of the portfolio manager if two Authorised Officers of the Trust Manager have certified to the Security Trustee that (i) the portfolio manager is an investment bank or accountant of recognised standing; and (ii) that such appointment is on a basis intended to incentivise the portfolio manager to achieve the best price for the sale of the Selected Mortgage Loan Rights (on terms which are commercially available in the market), which certificate will be conclusive and binding on all parties.

In respect of any sale of Selected Mortgage Loan Rights following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (if not deemed to have been revoked) or a Notice to Pay, the Trust Manager must instruct the portfolio manager to use all reasonable endeavours to procure that Selected Mortgage Loan Rights are sold as quickly as reasonably practicable (in accordance with the recommendations of the portfolio manager), taking into account the market conditions at that time and the scheduled repayment dates of the Covered Bonds and the terms of the Establishment Deed.

The terms of any sale and purchase agreement with respect to the sale of Selected Mortgage Loan Rights (which shall give effect to the recommendations of the portfolio manager) will be subject to the prior written approval of the Security Trustee (acting on the directions of the Bond Trustee or, if no Covered Bonds are outstanding, the Majority Secured Creditors) (unless the Selected Mortgage Loan Rights are being sold to the Bank following the exercise of its rights of pre-emption in the Mortgage Sale Agreement). The Security Trustee will only be required to release the Selected Mortgage Loan Rights from the Security in accordance with the conditions relating to the release of the Security (as described under "*Security Deed – Release of Security*" below).

Following the service of a Notice to Pay on the Covered Bond Guarantor, if Purchasers accept the offer or offers from the Covered Bond Guarantor so that some or all of the Selected Mortgage Loan Rights will be sold prior to the next following Final Maturity Date or, if the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee, the next following Extended Due for Payment Date in respect of the Earliest Maturing Covered Bonds, then the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, subject to the prior written approval of the Security Trustee, enter into a sale and purchase agreement with the relevant Purchasers, which will require, amongst other things, a cash payment from the relevant Purchasers. Any such sale will not include any representations or warranties from the Covered Bond Guarantor, the Servicer or the relevant Seller in respect of the Selected Mortgage Loan Rights unless expressly agreed by the Security Trustee or otherwise agreed with the Covered Bond Guarantor, the Servicer or the relevant Seller, as the case may be.

Limit on Investing in Substitution Assets and Authorised Investments

Provided no Asset Coverage Test Breach Notice is outstanding, there has been no breach of the Pre-Maturity Test and prior to the service of a Notice to Pay on the Covered Bond Guarantor, the Trust Manager may direct the Covered Bond Guarantor to, and if so directed the Covered Bond Guarantor must, make any payments required in order to invest the Available Income Amount, the Available Principal Amount and the proceeds of Term Advances and Demand Loan Advances standing to the credit of the GIC Account in Substitution Assets, provided that:

(a) the aggregate amount so invested in:

  (i) any assets which fall within paragraph (b) of the definition of Substitution Assets does not exceed 15 per cent. of the total Assets of the Trust at any one time (or such other percentage required to ensure compliance with any limits in the Australian Banking Act on substitution assets that may collateralise covered bonds); and

  (ii) any particular class of Substitution Assets does not exceed any limits in the Australian Banking Act on substitution assets of that class that may collateralise covered bonds; and

(b) such investments are made in accordance with the terms of the Management Agreement and the Establishment Deed.

Depositing any amounts in any Trust Account will not constitute an investment in Substitution Assets for these purposes.

Following the service of a Notice to Pay on the Covered Bond Guarantor or a breach of the Pre-Maturity Test, all Substitution Assets (other than any Substitution Asset that is also an Authorised Investment) will be sold by the Covered Bond Guarantor, acting on the directions of the Trust Manager, as soon as reasonably practicable, and the proceeds must be credited to the GIC Account after which the Covered Bond Guarantor, acting on the directions of the Trust Manager, will be permitted to make any payments required in order to invest all available moneys in Authorised Investments, provided that such sales or investments are made in accordance with the terms of the Management Agreement and the Establishment Deed.

Covenants of the Covered Bond Guarantor

The Covered Bond Guarantor covenants that it will in respect of the Trust:

(a) act continuously as trustee until the Vesting Date of the Trust or until it has retired or has been removed in accordance with the Establishment Deed;

(b) exercise all due diligence and vigilance in carrying out its functions and duties and in protecting the rights and interests of the Unitholders and the Secured Creditors;

(c) do everything and take all such actions which are necessary (including obtaining all such authorisations and approvals as are appropriate) to ensure that it is able to maintain its status as trustee of the Trust and to perform all its obligations under the Establishment Deed and the other Programme Documents;

(d) subject to and in accordance with the Programme Documents, retain the Assets of the Trust in safe custody and hold them on trust for the Unitholders of the Trust upon the terms of the Establishment Deed and the other Programme Documents;

(e) not sell, grant a Security Interest over or part with the possession of any of the Assets of the Trust (or permit any of its officers to do so) except as permitted by the Establishment Deed, the Security Deed and the other Programme Documents;

(f) forward promptly to the Trust Manager and the Bond Trustee all notices, reports, circulars and other documents received by it as holder of the Assets of the Trust;

(g) act honestly and in good faith in the performance of its duties and in the exercise of its discretions under the Establishment Deed and the Programme Documents;

(h) exercise such diligence and prudence as a prudent man of business would exercise in performing its express functions and in exercising its discretions under the Establishment Deed having regard to the interests of the Unitholders of the Trust;

(i) use its best endeavours to carry on and conduct its business in so far as it relates to the Establishment Deed and the Trust in a proper and efficient manner;

(j) remain Tax Resident in Australia throughout the period for which it is acting as trustee of the Trust;

(k) not perform any of its duties or exercise any rights in relation to the Trust, or otherwise manage the Trust, outside Australia;

(l) use its best endeavours to ensure that the Covered Bond Guarantor's title to each Asset of the Trust is maintained; and

(m) notify the Trust Manager and the Bond Trustee promptly after the Covered Bond Guarantor becomes actually aware of the occurrence of any Covered Bond Guarantor Termination Event and at the same time or as soon as possible thereafter provide full details of such Covered Bond Guarantor Termination Event.

Indemnification of Covered Bond Guarantor

Subject to the applicable Priority of Payments, the Covered Bond Guarantor will be indemnified out of the Assets of the Trust against any liability properly incurred by the Covered Bond Guarantor in performing or exercising any of its powers or duties in relation to the Trust except to the extent that any such liability is caused by the Covered Bond Guarantor's fraud, negligence or wilful default.

Subject to the applicable Priority of Payments, the Covered Bond Guarantor will be indemnified and is entitled to be reimbursed out of the Assets of the Trust in respect of all costs, charges and expenses which it may incur in respect of and can attribute to the Trust in accordance with the Establishment Deed and the other Programme Documents.

Removal and resignation of Covered Bond Guarantor

The Covered Bond Guarantor must retire as trustee of the Trust if:

(a) having been required to do so by the Trust Manager by notice in writing, the Covered Bond Guarantor fails or neglects within 20 Business Days (or such longer period as the Trust Manager may agree to) after receipt of such notice to carry out or satisfy any material duty or obligation imposed on the Covered Bond Guarantor by any Programme Document;

(b) an Insolvency Event occurs with respect to the Covered Bond Guarantor in its personal capacity;

(c) the Covered Bond Guarantor ceases or threatens to cease to carry on business or substantially the whole of its business;

(d) the Covered Bond Guarantor merges or consolidates into another entity, unless approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the commercial reputation and standing of the surviving entity will not be less than that of the Covered Bond Guarantor prior to such merger or consolidation, and unless the surviving entity assumes the obligations of the Covered Bond Guarantor under the Programme Documents;

(e) there is a change in the ownership of 50 per cent. or more of the issued equity share capital of the Covered Bond Guarantor from the position as at the date of the Establishment Deed, or effective control of the Covered Bond Guarantor alters from the position as at the date of the Establishment Deed, unless in either case approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the change in ownership or control of the Covered Bond Guarantor will not result in a lessening of the commercial reputation and standing of the Covered Bond Guarantor; or

(f) (i) an Extraordinary Resolution requiring the removal of the Covered Bond Guarantor as trustee of the Trust is passed at a meeting of Covered Bondholders of all Series taken together as a single Series with the nominal amount of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate; and

(ii) such retirement is approved in writing by each Secured Creditor (such approval not to be unreasonably withheld or delayed).

The Trust Manager may, by written notice, direct the Covered Bond Guarantor to retire if it believes in good faith that an event referred to in paragraphs (a) to (f) above has occurred.

If the Covered Bond Guarantor refuses to retire after being required to do so in the circumstances set out above, the Trust Manager is entitled to remove the Covered Bond Guarantor from office:

(a) upon the occurrence of an event set out in paragraphs (a), (b) or (c) above, immediately by notice in writing; and

(b) upon the occurrence of an event set out in paragraphs (d) or (e) above (and where paragraph (a) does not apply) upon 30 days' notice in writing.

On the retirement or removal of the Covered Bond Guarantor in accordance with the above, the Trust Manager, subject to any approval required by law, is entitled to and must use reasonable endeavours to appoint in writing within 30 days of the retirement or removal of the Covered Bond Guarantor some other entity, who is notified to the Rating Agencies, to be the Covered Bond Guarantor. If the Trust Manager has not within 30 days of the retirement or removal of the Covered Bond Guarantor appointed such other entity then the Trust Manager must convene a single meeting of the Covered Bondholders of all Series at which a new Covered Bond Guarantor may be appointed by Extraordinary Resolution of the Covered Bondholders of all Series.

The Covered Bond Guarantor may retire as trustee of the Trust (the **Retiring Covered Bond Guarantor**) upon giving three months' notice in writing to the Trust Manager or such lesser time as the Trust Manager and the Covered Bond Guarantor agree. Upon such retirement the Retiring Covered Bond Guarantor, subject to any approval required by law, must appoint as trustee of the Trust in writing any other entity which is approved by the Trust Manager, which approval must not be unreasonably withheld by the Trust Manager and notified to the Rating Agencies. If the Retiring Covered Bond Guarantor does not propose a replacement by the date which is two months prior to the date of its proposed retirement, or such lesser time as the Retiring Covered Bond Guarantor

and the Trust Manager agree, the Trust Manager is entitled to appoint a Substitute Covered Bond Guarantor (which must be an entity notified to the Rating Agencies). If the Trust Manager has not within 30 days prior to the date of the Retiring Covered Bond Guarantor's proposed retirement appointed such an entity as Covered Bond Guarantor, and such an entity has not otherwise been appointed within that same 30 day period by the Retiring Covered Bond Guarantor, then the Trust Manager must convene a single meeting of the Covered Bondholders of all Series at which a new Covered Bond Guarantor may be appointed by Extraordinary Resolution of the Covered Bondholders of all Series.

Notwithstanding the preceding paragraph, until the appointment of a new or Substitute Covered Bond Guarantor is completed in accordance with the preceding paragraph, the Retiring Covered Bond Guarantor must continue to act as the Covered Bond Guarantor in accordance with the terms of the Establishment Deed and the other Programme Documents.

The purported appointment of a Substitute Covered Bond Guarantor has no effect until:

(a) the Substitute Covered Bond Guarantor executes a deed under which it covenants to act as Covered Bond Guarantor in accordance with the Programme Documents; and

(b) if the Substitute Covered Bond Guarantor is not the trustee of the PUMA Funds, the Substitute Covered Bond Guarantor has received powers of attorney from the trustee of the PUMA Funds which enable the Substitute Covered Bond Guarantor to take all necessary steps in each relevant Australian jurisdiction to perfect in the name of the Substitute Covered Bond Guarantor, the Substitute Covered Bond Guarantor's legal title to the Mortgages then forming part of the Assets of the Trust, including lodgement of any mortgage transfers with the land titles office of the appropriate jurisdiction to achieve registration of the Mortgages then forming part of the Assets of the Trust.

Upon the retirement or removal of the Covered Bond Guarantor in accordance with the above:

(a) the Covered Bond Guarantor must vest the Assets of the Trust, or cause them to be vested, in the Substitute Covered Bond Guarantor and must deliver to the Substitute Covered Bond Guarantor (or the Trust Manager if it is acting as Covered Bond Guarantor) all books, documents, records and other property whatsoever relating to the Trust (including, if required, the powers of attorney referred to above). The costs and expenses of this are to be paid out of the Assets of the Trust, subject to the indemnity given by the Covered Bond Guarantor to the Trust Manager and the Substitute Covered Bond Guarantor in respect of all costs incurred as a result of its removal or retirement as set out above; and

(b) the Covered Bond Guarantor is released from all obligations under the Programme Documents arising after the date of the retirement or removal in respect of the Trust except for its obligation to vest all Assets of the Trust in the Substitute Covered Bond Guarantor and to deliver all books and records relating to the Trust to the Substitute Covered Bond Guarantor (but the Covered Bond Guarantor is not released from any obligations or liability that accrued prior to the date of the retirement of the Covered Bond Guarantor). The Trust Manager may settle with the Covered Bond Guarantor the amount of any sums payable by the Covered Bond Guarantor to the Trust Manager or by the Trust Manager to the Covered Bond Guarantor and may give to or accept from the Covered Bond Guarantor a discharge in respect of those sums which is then conclusive and binding as between the Covered Bond Guarantor and the Trust Manager but not as between the Covered Bond Guarantor, on the one hand, and the Unitholders and Secured Creditors, on the other hand.

Failure to appoint a Substitute Covered Bond Guarantor following the retirement or removal of the Covered Bond Guarantor will in certain circumstances constitute a Covered Bond Guarantor Event of Default as described in Condition 9.2.

Other Provisions

The allocation and distribution of the Available Income Amount, the Available Principal Amount and all other amounts received by the Covered Bond Guarantor is described under "*Cashflows*" below.

The Establishment Deed is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Management Agreement

The Trust Manager will manage the Assets of the Trust (having regard to its powers and discretions under the Programme Documents) and provide certain Cash Management Services and Calculation Management Services to the Covered Bond Guarantor and the Security Trustee pursuant to the terms of the Management Agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the PUMA Funds Seller, Trust Manager, the Bank (as Issuer, MBL Seller and Account Bank), the Origination Manager and the Security Trustee.

The Cash Management Services will include but will not be limited to:

(a) assisting and directing the Covered Bond Guarantor in opening and operating the Trust Accounts;

(b) keeping records of the Assets of the Trust held by the Covered Bond Guarantor, including the Mortgage Loan Rights;

(c) preparing or procuring the preparation of and filing of all reports, annual returns, financial statements, statutory forms and other returns which the Covered Bond Guarantor is required by law to prepare and file in connection with the Trust or the Assets of the Trust;

(d) making all determinations, giving all notices and making all registrations and other notifications required in the day-to-day operation of the business of the Trust or required to be given or made by the Covered Bond Guarantor pursuant to the Programme Documents;

(e) preparing and/or completing any Term Advance Drawdown Requests or Demand Loan Drawdown Requests required for the Covered Bond Guarantor or, in the case of Demand Loan Drawdown Requests for it, requesting the advance of any Term Advance or any Demand Loan Advance under, and in accordance with, the Establishment Deed, the Mortgage Sale Agreement, the Intercompany Loan Agreement and the Demand Loan Agreement;

(f) maintaining the Ledgers on behalf of the Covered Bond Guarantor;

(g) determining the amount of Collections and Finance Charge Collections received during each Collection Period and the Available Income Amount and Available Principal Amount to be distributed on each Distribution Date in accordance with the Priorities of Payments described under "*Cashflows*" below;

(h) determining the amounts payable by the Covered Bond Guarantor on each Distribution Date under the applicable Priority of Payments described under "*Cashflows*" below;

(i) directing the Covered Bond Guarantor in relation to the application of Available Income Amount and the Available Principal Amount in accordance with the Priorities of Payment described under "*Cashflows*" below;

(j) providing various directions to the Covered Bond Guarantor in respect of investments in Authorised Investments and Substitution Assets and maintaining records of all Authorised Investments and Substitution Assets, as applicable; and

(k) providing directions to the Covered Bond Guarantor to apply any In Specie Mortgage Loan Rights in satisfaction of amounts to be repaid to the Demand Loan Provider or its Nominee in accordance with the applicable Priority of Payments.

The Calculation Management Services will include but will not be limited to:

(a) determining whether the Mortgage Loan Rights forming part of the Assets of the Trust are in compliance with the Asset Coverage Test on each Determination Date prior to an Issuer Event of Default and service of a Notice to Pay on the Covered Bond Guarantor in accordance with the Establishment Deed and any other date that the Asset Coverage Test is required to be calculated as more fully described under "*Credit Structure – Asset Coverage Test*" below;

(b) determining whether the Mortgage Loan Rights forming part of the Assets of the Trust are in compliance with the Legislated Collateralisation Test on each Determination Date for so long as any Covered Bonds

are outstanding, in accordance with the Establishment Deed, as more fully described under "*Establishment Deed – Legislated Collateralisation Test*" above;

(c) determining whether the Mortgage Loan Rights forming part of the Assets of the Trust are in compliance with the Amortisation Test on each Determination Date following an Issuer Event of Default and service of a Notice to Pay on the Covered Bond Guarantor but prior to the service of a Covered Bond Guarantee Acceleration Notice in accordance with the Establishment Deed, as more fully described under "*Credit Structure – Amortisation Test*", below; and

(d) on each Local Business Day during the Pre-Maturity Test Period for each Series of Hard Bullet Covered Bonds, determining whether the Pre-Maturity Test for each such Series of Hard Bullet Covered Bonds is satisfied, as more fully described under "*Credit Structure – Pre Maturity Liquidity*" below.

The Trust Manager is not personally liable to indemnify the Covered Bond Guarantor or to make any other payments to any other person in relation to the Trust except to the extent of any breach by the Trust Manager of its obligations under the Programme Documents or any fraud, negligence or wilful default by it in its capacity as Trust Manager of the Trust.

In certain circumstances, the Covered Bond Guarantor is required to immediately terminate the appointment of the Trust Manager and appoint a Substitute Trust Manager whose appointment will not take effect until such Substitute Trust Manager enters into a document under which it assumes the obligations of the Trust Manager. Until the appointment of the Substitute Trust Manager takes effect, the Covered Bond Guarantor must act as Trust Manager (and is entitled to the relevant fees for the period it so acts). While acting as the Trust Manager, the Covered Bond Guarantor will not be liable for any inability to perform or deficiency or inadequacy in performing its duties and obligations as the Trust Manager or any representation or warranty it made being incorrect or misleading when made or repeated a result of, amongst other things, a breach by the outgoing Trust Manager of its obligations, the state of affairs, books and records of the outgoing Trust Manager and any documents or files delivered by it (including, the inaccuracy or incompleteness thereof) or the inability of the Covered Bond Guarantor to obtain access to information, premises or equipment reasonably necessary for it to perform its obligations.

The Trust Manager is entitled to a fee for the performance of its services under the Management Agreement, which will be agreed in writing from time to time between the Trust Manager, the Covered Bond Guarantor and the Security Trustee. The Covered Bond Guarantor will on each Distribution Date, subject to the applicable Priority of Payments as further consideration for the Cash Management Services and the Calculation Management Services supplied to it by the Trust Manager reimburse the Trust Manager for all out-of-pocket costs, expenses and charges properly incurred by it in the performance of the Cash Management Services or the Calculation Management Services, as the case may be, including any such costs, expenses or charges not reimbursed to the Trust Manager on any previous Distribution Date.

Under the Management Agreement, the Origination Manager also agrees to provide certain management services to the PUMA Funds Seller which include (i) making all determinations, giving all notices and making all registrations and other notifications required to be given or made by the PUMA Funds Seller at the direction of the Origination Manager pursuant to the Programme Documents; (ii) providing all directions and instructions required to be provided by it to the PUMA Funds Seller pursuant to the Programme Documents and to allow the PUMA Funds Seller to comply with its obligations under the Programme Documents; (iii) preparing each Transfer Proposal required to be delivered by the PUMA Funds Seller in accordance with the Mortgage Sale Agreement and advising the PUMA Funds Seller as to the timing for delivery of any such notices to the Covered Bond Guarantor; and (iv) preparing each Mortgage Loan Transfer Notice required to be delivered by the PUMA Funds Seller in accordance with the Mortgage Sale Agreement and advising the PUMA Funds Seller as to the timing for delivery of any such notices to the Covered Bond Guarantor.

The Management Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Swap Agreements

In order to hedge certain interest rate, currency or other risks in respect of amounts received by the Covered Bond Guarantor under the Mortgage Loan Rights, Substitution Assets, Authorised Investments or certain other amounts deposited into the GIC Account and amounts payable by the Covered Bond Guarantor under the Intercompany Loan Agreement to the Intercompany Loan Provider and/or amounts payable by the Covered Bond Guarantor

under the Covered Bond Guarantee to Covered Bondholders in respect of the Covered Bonds on issue, the Covered Bond Guarantor will enter into certain swap transactions with swap providers as described below.

Each such swap transaction (including, without limitation, the Interest Rate Swaps and each Covered Bond Swap) (each, a **Swap** and together, the **Swaps**) will be evidenced by a confirmation that supplements, forms part of and is subject to, an agreement in the form of the 2002 Master Agreement as published by the International Swaps & Derivatives Association, Inc. (**ISDA**) together with its schedule and credit support annex (to be in the form of the 1995 Credit Support Annex (Transfer – English Law) published by ISDA) (a **Swap Agreement Credit Support Annex**) between a swap provider (a **Swap Provider**), the Covered Bond Guarantor, the Trust Manager and the Security Trustee (together, a **Swap Agreement**).

Interest Rate Swap Agreement

Some of the Mortgage Loans forming part of the Assets of the Trust from time to time pay a variable amount of interest. Other Mortgage Loans pay a fixed rate of interest for a period of time. The Substitution Assets or Authorised Investments (as the case may be) and the amounts deposited into the GIC Account may pay a variable or fixed amount of interest. However, the Australian Dollar payments to be made by the Covered Bond Guarantor under the Covered Bond Swaps, the Intercompany Loan and the Demand Loan will be based on the Bank Bill Rate for varying periods. To provide a hedge against the variance between:

(a) the rates of interest payable on the Mortgage Loans forming part of the Assets of the Trust and the Substitution Assets or Authorised Investments and the amounts deposited into the GIC Account; and

(b) the Bank Bill Rate for the applicable interest or calculation period,

the Covered Bond Guarantor, the Trust Manager, the Security Trustee and the Interest Rate Swap Provider will enter into the Interest Rate Swaps under the Interest Rate Swap Agreement.

The Interest Rate Swap Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Covered Bond Swap Agreements

Where Covered Bonds are issued in a currency and/or on an interest rate basis different to the Interest Rate Swaps, the Covered Bond Guarantor will enter into one or more Covered Bond Swaps, each under a Covered Bond Swap Agreement with a Covered Bond Swap Provider. Each Covered Bond Swap may be either a **Forward Starting Covered Bond Swap** or a **Non-Forward Starting Covered Bond Swap**. Where the Covered Bond Guarantor enters into a Forward Starting Covered Bond Swap, the related Term Advance made under the Intercompany Loan Agreement will be made in Australian Dollars, regardless of the currency of the relevant Series or Tranche, as applicable, of Covered Bonds.

Each Forward Starting Covered Bond Swap will provide a hedge (after service of a Notice to Pay on the Covered Bond Guarantor) against certain interest rate, currency and/or other risks in respect of amounts received by the Covered Bond Guarantor under the Mortgage Loan Rights, Substitution Assets, Authorised Investments or certain other amounts deposited into the GIC Account and the Interest Rate Swaps and amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of the Covered Bonds (after service of a Notice to Pay).

Each Non-Forward Starting Covered Bond Swap will provide a hedge against certain interest rate, currency and/or other risks in respect of amounts received by the Covered Bond Guarantor under the Mortgage Loan Rights, Substitution Assets, Authorised Investments or certain other amounts deposited into the GIC Account and the Interest Rate Swaps and amounts payable by the Covered Bond Guarantor under the Intercompany Loan Agreement (prior to the service of a Notice to Pay on the Covered Bond Guarantor) and under the Covered Bond Guarantee in respect of the Covered Bonds (after the service of a Notice to Pay on the Covered Bond Guarantor).

Where required to hedge such risks, there will be one (or more) Covered Bond Swap Agreement(s) and Covered Bond Swap(s) in relation to each Series or Tranche, as applicable, of Covered Bonds.

Under the Forward Starting Covered Bond Swaps, the Covered Bond Swap Provider will pay to the Covered Bond Guarantor on each Interest Payment Date (or, if a Notice to Pay is served on an Interest Payment Date, on the second Business Day following such Interest Payment Date) after service of a Notice to Pay on the Covered Bond Guarantor, an amount equal to the amounts that are then payable by the Covered Bond Guarantor under the

Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds. In return, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider on each Distribution Date after service of a Notice to Pay on the Covered Bond Guarantor an amount in Australian Dollars calculated by reference to the 30 day Bank Bill Rate (or the rate for such other period as may be specified in the relevant Confirmation) plus a spread. Unless the relevant Covered Bond Swap terminates earlier, on the first to occur of (i) the date on which the Early Redemption Amount is payable; and (ii) the Final Maturity Date, in each case in relation to the relevant Series or Tranche of Covered Bonds, the relevant Covered Bond Swap Provider will pay to the Covered Bond Guarantor an amount equal to the Early Redemption Amount or the Final Redemption Amount (as the case may be) of the relevant Series or Tranche of Covered Bonds in exchange for payment by the Covered Bond Guarantor of the Australian Dollar Equivalent of that amount.

Under the Non-Forward Starting Covered Bond Swaps:

(a) if the related Term Advance is made in Australian Dollars, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider on each Distribution Date an amount in Australian Dollars calculated by reference to the 30 day Bank Bill Rate (or the rate for such other period as may be specified in the relevant Confirmation) plus a spread. In return the Covered Bond Swap Provider will pay to the Covered Bond Guarantor on each Interest Payment Date either, an amount in Australian Dollars equal to the relevant amount of interest then payable under the related Term Advance in accordance with the Intercompany Loan Agreement or (after service of a Notice to Pay on the Covered Bond Guarantor) equal to the amounts that are payable by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds; and

(b) if the related Term Advance is made in a currency other than Australian Dollars, on the relevant Issue Date, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider an amount equal to the amount received by the Covered Bond Guarantor under the related Term Advance (being the aggregate nominal amount of such Series or Tranche, as applicable, of Covered Bonds) and in return the Covered Bond Swap Provider will pay to the Covered Bond Guarantor the Australian Dollar Equivalent of the first mentioned amount. Thereafter, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider on each Distribution Date an amount in Australian Dollars calculated by reference to the 30 day Bank Bill Rate (or the rate for such other period as may be specified in the relevant Confirmation) plus a spread. In return, the Covered Bond Swap Provider will pay to the Covered Bond Guarantor on each Interest Payment Date either, an amount in the relevant currency equal to the relevant amount of interest then payable under the related Term Advance in accordance with the Intercompany Loan Agreement or (after service of a Notice to Pay on the Covered Bond Guarantor) equal to the amounts that are payable by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds. Unless the relevant Covered Bond Swap terminates earlier, on the first to occur of (i) the date on which the Early Redemption Amount is payable; and (ii) the Final Maturity Date, in each case in relation to the relevant Series or Tranche of Covered Bonds, the relevant Covered Bond Swap Provider will pay to the Covered Bond Guarantor an amount in the relevant currency equal to the principal then outstanding on the related Term Advance in exchange for payment by the Covered Bond Guarantor of the Australian Dollar Equivalent of that amount.

Each Covered Bond Swap will terminate on the Final Maturity Date of the relevant Series or Tranche of Covered Bonds or, if the Covered Bond Guarantor notifies the Covered Bond Swap Provider, prior to the Final Maturity Date, of the inability of the Covered Bond Guarantor to pay in full or in part Guaranteed Amounts corresponding to the Final Redemption Amount in respect of such Series or Tranche of Covered Bonds, the final Interest Payment Date on which an amount representing any or all of the Final Redemption Amount is paid (but in any event not later than the Extended Due for Payment Date).

Rating Downgrade Event

Under the terms of each Swap Agreement, in the event that the credit rating(s) or counterparty risk assessment, as applicable, of the relevant Swap Provider is downgraded by a Rating Agency below the credit rating(s) or counterparty risk assessment, as applicable, specified in the relevant Swap Agreement (in accordance with such Rating Agency's criteria) for that Swap Provider, that Swap Provider agrees, in accordance with the relevant Swap Agreement, to take certain remedial measures which may include:

(a) providing collateral for its obligations under the relevant Swap Agreement;

(b) arranging for its obligations under the relevant Swap Agreement to be transferred to a replacement entity provided that either:

(i) such entity is an entity with the credit rating(s) or counterparty risk assessment, as applicable, specified by the relevant Rating Agency; or

(ii) in some cases, the relevant Rating Agency has confirmed that such transfer will not adversely affect the credit ratings of the then outstanding Series of Covered Bonds;

(c) procuring another entity to become co-obligor or guarantor in respect of its obligations under the relevant Swap Agreement provided that either:

(i) such entity is an entity with the credit rating(s) or counterparty risk assessment, as applicable, specified by the relevant Rating Agency; or

(ii) in some cases, the relevant Rating Agency has confirmed that obtaining such a co-obligor or guarantor will not adversely affect the credit ratings of the then outstanding Series of Covered Bonds; or

(d) taking such other action or putting in place such alternative hedging as will result in the credit ratings of the then outstanding Series of Covered Bonds being maintained at, or restored to, the level they were at immediately prior to the downgrade.

A failure to take such steps within the time periods specified in the relevant Swap Agreement will allow the Covered Bond Guarantor to terminate the relevant Swaps.

Other Termination Events

The Swap(s) under a Swap Agreement may also be terminated early in certain other circumstances, including:

(a) at the option of the Covered Bond Guarantor or the relevant Swap Provider, as applicable, if there is a failure by the other party to pay any amounts due under such Swap Agreement within the specified grace period;

(b) upon the occurrence of certain insolvency events in relation to the relevant Swap Provider or the Covered Bond Guarantor, or the merger of one of the relevant Swap Provider or the Covered Bond Guarantor without an assumption of the obligations under such Swap Agreement;

(c) there is a change of law, a change in application of the relevant law or consolidation, amalgamation, merger, transfer of assets, reorganisation, reincorporation or reconstitution of or by a party which results in the Covered Bond Guarantor or the relevant Swap Provider (or both) being obliged to make a withholding or deduction on account of a tax on a payment to be made by such party to the other party under such Swap Agreement and the relevant Swap Provider thereby being required under the terms of such Swap Agreement to gross up payments made to the Covered Bond Guarantor, or to receive net payments from the Covered Bond Guarantor (who is not required under the terms of such Swap Agreement to gross up payments made to the relevant Swap Provider);

(d) there is a change in law which results in the illegality of the obligations to be performed by the relevant Swap Provider or the Covered Bond Guarantor under the Swap Agreement or a force majeure event which renders performance impossible or impracticable;

(e) in relation to a Covered Bond Swap only, if the corresponding Series of Covered Bonds are redeemed or cancelled;

(f) if a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor;

(g) the making of an amendment (without the prior written consent of the relevant Swap Provider) to the Priorities of Payments which has a material adverse effect on the amounts paid to the relevant Swap Provider under the Priorities of Payments; and

(h) the making of an amendment (without the prior written consent of the relevant Swap Provider), such that the relevant Swap Provider would, immediately after such amendment, be required to pay more or receive

less under such Swap Agreement than would otherwise have been the case immediately prior to such amendment or such that the Swap Provider would suffer an adverse consequence as a result of such amendment.

Upon the termination of a Swap, the Covered Bond Guarantor or the relevant Swap Provider may be liable to make a termination payment to the other party in accordance with the provisions of the relevant Swap Agreement.

Swap Agreement Credit Support Annex

The Covered Bond Guarantor and each Swap Provider will also enter into a credit support annex in the form of the 1995 ISDA Credit Support Annex (Transfer – English Law) to the ISDA Master Agreement (the **Swap Agreement Credit Support Annex**) in respect of each Swap Agreement. The Swap Agreement Credit Support Annex will provide that, from time to time, if required to do so following its downgrade and subject to the conditions specified in the Swap Agreement Credit Support Annex, the relevant Swap Provider will make transfers of collateral to the Covered Bond Guarantor in support of its obligations under the relevant Swap Agreement (the **Swap Collateral**) and the Covered Bond Guarantor will be obliged to return equivalent collateral in accordance with the terms of such Swap Agreement Credit Support Annex. Each Swap Agreement Credit Support Annex will form a part of the relevant Swap Agreement.

Swap Collateral required to be transferred by the relevant Swap Provider pursuant to the terms of each Swap Agreement Credit Support Annex may be delivered in the form of cash or certain securities specified in such Swap Agreement Credit Support Annex. In the case of the Covered Bond Swap Agreements, cash amounts will be paid into an interest bearing account held with a Qualified Institution (a **Covered Bond Swap Cash Collateral Account**) and any non-cash collateral will be held in a separate securities account (a **Covered Bond Swap Securities Collateral Account**), in each case, opened in accordance with the relevant Covered Bond Swap Agreement. In the case of the Interest Rate Swap Agreement, cash amounts will be paid into an account designated as a **Swap Collateral Cash Account** in respect of the relevant Swap Agreement Credit Support Annex opened and held with the Account Bank. References to a Swap Collateral Cash Account and a Covered Bond Swap Cash Collateral Account and to payments from such accounts are deemed to be a reference to payments from such accounts as and when opened by the Covered Bond Guarantor. Securities will be transferred into a custody account opened and held with a custodian (a **Swap Collateral Securities Account**). References to such custody account and a Covered Bond Swap Securities Collateral Account and to transfers from such accounts are deemed to be a reference to transfers from such accounts as and when opened by the Covered Bond Guarantor.

If a Covered Bond Swap Cash Collateral Account, Covered Bond Swap Securities Collateral Account, Swap Collateral Cash Account or Swap Collateral Securities Account is opened, cash and securities, as applicable, (and all income in respect thereof) transferred as collateral will only be available to be applied in returning collateral (and income thereon) or in satisfaction of amounts owing by the relevant Swap Provider in accordance with the terms of the relevant Swap Agreement Credit Support Annex.

Any Swap Collateral Excluded Amounts will be paid to the relevant Swap Provider directly and not via the Priorities of Payments.

Limited Recourse

All obligations of the Covered Bond Guarantor to the relevant Swap Provider under each Swap Agreement are limited in recourse as described in the Establishment Deed.

Governing Law

Each Swap Agreement (including the Swap Agreement Credit Support Annex under such Swap Agreement) is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Account Bank Agreement

Pursuant to the terms of the Account Bank Agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Bank (as Account Bank), the Trust Manager and the Security Trustee, the Covered Bond Guarantor will maintain with the Account Bank, the GIC Account and the Swap Collateral Cash Account which will be operated in accordance with the Management Agreement, the Establishment Deed, the Security Deed and the relevant Swap Agreements.

The Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Security Trustee:

(a) may terminate the appointment of the Account Bank if any of the following occur in relation to the Account Bank:

(i) if a deduction or withholding for or on account of any Tax is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any Trust Account, as applicable;

(ii) if the Account Bank fails to make payment on the due date of any payment due and payable by it under the Account Bank Agreement and such default is not waived by the Covered Bond Guarantor (acting on the directions of the Trust Manager) (with the prior written consent of the Security Trustee) or the Security Trustee, as applicable, and such default continues unremedied for a period of five Local Business Days; or

(iii) if the Account Bank fails to perform any of its other material obligations under the Account Bank Agreement, the Security Deed or any other Programme Document to which it is a party and acting on the directions of:

(A) the Bond Trustee (if there are Covered Bonds outstanding and subject to the provisions of the Bond Trust Deed), the Security Trustee determines that such failure is, or if continued will be, materially prejudicial to the Covered Bondholders; or

(B) the Majority Secured Creditors (if there are no Covered Bonds outstanding), the Security Trustee determines that such is, or if continued will be, materially prejudicial to the Secured Creditors,

and such failure remains unremedied for a period of 10 Local Business Days after the Trust Manager or the Security Trustee has given notice of such failure to the Account Bank; and

(b) must terminate the appointment of the Account Bank if any of the following occur in relation to the Account Bank:

(i) the Account Bank ceases to be a Qualified Institution and the Account Bank does not, within 60 days of the occurrence of such event, obtain a guarantee of its obligations under the Account Bank Agreement from a Qualified Institution; or

(ii) an Insolvency Event occurs in respect of the Account Bank.

The Account Bank Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Security Deed

Pursuant to the terms of the Security Deed entered into on or about the Programme Date by the Bank (in various capacities including as Issuer and MBL Seller), the PUMA Funds Seller, the Covered Bond Guarantor, the Servicer, the Trust Manager and the Security Trustee, as security for payment of the Secured Obligations, the Covered Bond Guarantor:

(a) grants, and the Security Trustee takes, a security interest (as defined in the PPSA) for the purposes of the PPSA in all of the Covered Bond Guarantor's present and future right, title and interest in the PPSA Secured Property; and

(b) charges all of the Covered Bond Guarantor's present and future, right, title and interest in the Non-PPSA Secured Property,

to the Security Trustee for the due and punctual performance, observance and fulfilment of the Secured Obligations in relation to the Trust on the terms and conditions contained in the Security Deed.

The charge granted pursuant to paragraph (b) above (the **Charge**) is a floating charge in respect of all the Non-PPSA Secured Property. If the Charge has not otherwise taken effect as a fixed charge, it will become a fixed charge automatically and immediately over all of the Non-PPSA Secured Property without the need for any notice

to or act by the Security Trustee, following the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer.

Release of Security

In the event of any sale or transfer of Mortgage Loan Rights (including Selected Mortgage Loan Rights) (and any other related rights under the same) by or on behalf of the Covered Bond Guarantor (including by way of in specie distribution by the Covered Bond Guarantor) pursuant to and in accordance with the Programme Documents, such Mortgage Loan Rights (and any other related rights under the same) will no longer form part of the Assets of the Trust and the Security Trustee must, if requested in writing by the Covered Bond Guarantor (acting on the directions of the Trust Manager and at the sole cost and expense of the Covered Bond Guarantor), take all reasonable steps necessary to ensure the release or discharge of those Mortgage Loan Rights (and any other related rights under the same) from the Security Interests created under the Security Deed on or prior to the date of any such sale or transfer, only if the Trust Manager has provided to the Security Trustee a certificate from two Authorised Officers of the Trust Manager confirming that such sale or transfer of Mortgage Loan Rights has been made in accordance with the terms of the Programme Documents and, in the case of the sale of Selected Mortgage Loan Rights only, that the Selected Mortgage Loan Rights being sold have been selected on a basis that is representative of the Mortgage Loan Rights forming part of the Assets of the Trust as a whole.

In the event of any transfer of any Mortgage Loan Rights to the Bank or a Seller pursuant to and in accordance with the Programme Documents, the Security Trustee will, at the prior written request and cost of the Covered Bond Guarantor (acting on the directions of the Trust Manager) on the date of the transfer release the Mortgage Loan Rights from the Security Interest created under the Security Deed.

Enforcement

At any time after the Security has become enforceable and following service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Security Trustee will be entitled to appoint a Receiver and/or enforce the Security constituted by the Security Deed (including selling the Mortgage Loan Rights), and/or, subject to the following paragraph, take such steps as it deems necessary, subject in each case to being indemnified and/or prefunded and/or secured to its satisfaction. All proceeds received by the Security Trustee from the enforcement or realisation of the Security and any In Specie Mortgage Loan Rights will be applied in accordance with the Post-Enforcement Priority of Payments described under "*Cashflows*" below (other than Third Party Amounts due to the Sellers and any Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements).

If the Security has become enforceable, neither the Security Trustee nor any Receiver will be entitled to dispose of any Secured Property (comprising Mortgage Loan Rights) unless:

(a) the Security Trustee or Receiver, as applicable, has given the Bank the right, by notice in writing, to make an offer to purchase (or select a Nominee to purchase) all the Mortgage Loan Rights that are then Assets of the Trust (within five Local Business Days of the written notice) (any offer made by the Bank in accordance with this paragraph will be irrevocable unless agreed between the Bank and the Security Trustee or Receiver, as applicable); and

(b) if the Security Trustee or Receiver receives an irrevocable offer from any person other than the Bank in respect of any Mortgage Loan Rights, the Security Trustee or Receiver, as applicable, gives the Bank the right, by notice in writing (which must include all information in relation to the offer made by such other person), to make an offer to purchase (or select a Nominee to purchase) (which may be in addition to any offer made by the Bank under paragraph (a)) the Mortgage Loan Rights the subject of the offer made by any such other person that at least matches the value of any such other offer (within two Local Business Days of the written notice),

provided that the Bank provides to the Security Trustee or Receiver, as applicable, an opinion from legal advisors appointed by the Bank (at its expense) addressed to the Security Trustee or Receiver in connection with the relevant offer, that acceptance of the offer by the Security Trustee or Receiver and any repurchase of Mortgage Loan Rights in accordance with it by the Bank (or its Nominee) would be legal, valid, binding and enforceable against the Bank (or such Nominee).

If the Security Trustee or Receiver, as applicable, receives an offer from a Seller as described above, the Security Trustee or Receiver must accept that offer unless the Security Trustee or Receiver reasonably believes that it is not in the best interests of the Covered Bondholders or, if there are none, the Secured Creditors that it does so.

Removal or resignation of Security Trustee

The Security Trustee covenants that it will retire as Security Trustee if:

(a) an Insolvency Event occurs in relation to the Security Trustee in its personal capacity or in respect of its personal assets (and not in its capacity as trustee of any trust or in respect of any assets it holds as trustee);

(b) it ceases to carry on business;

(c) a Related Body Corporate of it retires as the Covered Bond Guarantor or is removed as the Covered Bond Guarantor and the Trust Manager requires the Security Trustee by notice in writing to retire;

(d) (i) an Extraordinary Resolution requiring its retirement is passed at a meeting of Covered Bondholders of all Series taken together as a single Series with the nominal amount of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate; and

(ii) such retirement is approved in writing by the Bond Trustee (if any Covered Bonds are outstanding) or (if no Covered Bonds are outstanding) by the Majority Secured Creditors;

(e) when required to do so by the Trust Manager or the Covered Bond Guarantor by notice in writing, it fails or neglects within 14 days after receipt of such notice to carry out or satisfy any material duty imposed on it by the Security Deed in respect of the Security Trust; or

(f) there is a change in ownership of 50 per cent. or more of the issued equity share capital of the Security Trustee from the position as at the date of the Security Deed or effective control of the Security Trustee alters from the position as at the date of the Security Deed unless in either case approved by the Trust Manager (whose approval must not be unreasonably withheld).

If an event referred to in any of paragraphs (a) to (f) above occurs and the Security Trustee does not retire immediately after that event, the Trust Manager is entitled to, and must, remove the Security Trustee from office immediately by notice in writing to the Security Trustee. On the retirement or removal of the Security Trustee, the Issuer must issue a Rating Affirmation Notice in relation to each Rating Agency in respect of such retirement or removal.

The Security Trustee may retire as security trustee under the Security Deed upon giving three months' notice in writing to the Covered Bond Guarantor, the Trust Manager and each Rating Agency or such lesser time as the Covered Bond Guarantor, the Trust Manager and the Security Trustee may agree.

On the retirement or removal of the Security Trustee as set out above (i) the Trust Manager must promptly notify the Covered Bond Guarantor and the Secured Creditors of such retirement or removal; and (ii) subject to any approval required by law, the Trust Manager is entitled to and must use best endeavours to appoint a person who is a statutory trustee or a wholly owned subsidiary of a statutory trustee as substitute Security Trustee. If no substitute Security Trustee is appointed within 90 days after the retirement or removal of the Security Trustee, the Security Trustee may appoint a substitute Security Trustee or apply to the court for a substitute Security Trustee to be appointed.

Upon retirement or removal of the Security Trustee as trustee of the Security Trust, the Security Trustee is released from all obligations under the Security Deed arising after the date of the retirement or removal except for its obligation to vest the Security Trust in the substitute Security Trustee and to deliver all books and records relating to the Security Trust to the substitute Security Trustee (at the cost of the Security Trust). The Trust Manager and the Covered Bond Guarantor may settle with the Security Trustee the amount of any sums payable by the Security Trustee to the Trust Manager or the Covered Bond Guarantor or by the Trust Manager or the Covered Bond Guarantor to the Security Trustee and may give to or accept from the Security Trustee a discharge in respect of those sums which will be conclusive and binding as between the Trust Manager, the Covered Bond Guarantor and the Security Trustee but not as between the Security Trustee and the Secured Creditors.

Each substitute Security Trustee must upon its appointment execute a deed in such form as the Trust Manager may require whereby such substitute Security Trustee must undertake to the Secured Creditors jointly and severally to be bound by all the covenants on the part of the Security Trustee under the Security Deed from the date of such appointment. The Security Trustee must do all such things and execute all such documents as are necessary or appropriate for the substitute Security Trustee to obtain the benefit of the Security Deed.

The Security Deed is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

CREDIT STRUCTURE

The Covered Bonds will be direct, unsecured, unsubordinated and unconditional obligations of the Issuer. The Covered Bond Guarantor has no obligation to pay the Guaranteed Amounts under the Covered Bond Guarantee until the occurrence of: (i) an Issuer Event of Default and service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and the service on the Covered Bond Guarantor of a Notice to Pay or, (ii) if earlier, following the occurrence of a Covered Bond Guarantor Event of Default, and the service by the Bond Trustee on the Covered Bond Guarantor and the Issuer of a Covered Bond Guarantee Acceleration Notice. The Issuer will not be relying on any payments by the Covered Bond Guarantor in order to pay interest or repay principal under the Covered Bonds.

There are a number of features of the Programme which enhance the likelihood of timely and, as applicable, ultimate payments to Covered Bondholders, as follows:

(a) the Covered Bond Guarantee provides credit support in respect of certain obligations of the Issuer under the Covered Bonds and the Assets of the Trust provide security for the obligations of the Covered Bond Guarantor;

(b) the Asset Coverage Test is intended to test, prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or service of a Covered Bond Guarantee Acceleration Notice on the Issuer and the Covered Bond Guarantor, the asset coverage of the Assets of the Trust held from time to time by the Covered Bond Guarantor in respect of the Covered Bonds on a monthly basis;

(c) the Amortisation Test is intended to test, following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the asset coverage of the Assets of the Trust held from time to time by the Covered Bond Guarantor in respect of the Covered Bonds;

(d) a Reserve Fund will be established in the GIC Account which will be funded from Available Income Amounts or by crediting the remaining proceeds of a Term Advance or Demand Loan Advance up to the Reserve Fund Required Amount for so long as the Issuer's credit rating or deposit rating, as applicable, is below the Moody's Specified Rating and/or the Fitch Specified Rating;

(e) under the terms of the Account Bank Agreement, the Account Bank has agreed to pay a rate of interest per annum equal to the 30 day Bank Bill Rate which will be the rate determined by the Account Bank on the first day of each Collection Period (or, in the case of the first Collection Period, the first Closing Date) on all amounts held by the Covered Bond Guarantor in the GIC Account; and

(f) the Pre-Maturity Test is intended to provide liquidity to the Covered Bond Guarantor in relation to amounts of principal due on the Final Maturity Date of the Hard Bullet Covered Bonds.

Certain of these factors are considered more fully in the remainder of this section.

Covered Bond Guarantee

Pursuant to the terms of the Bond Trust Deed, the Covered Bond Guarantor has guaranteed payments of interest and principal under the Covered Bonds issued by the Issuer. The Covered Bond Guarantor has agreed to pay an amount equal to the Guaranteed Amounts when the same shall become Due for Payment but which would otherwise be unpaid by the Issuer. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute (following service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice) direct and unconditional obligations of the Covered Bond Guarantor, secured against the Assets from time to time of the Covered Bond Guarantor as provided in the Security Deed and recourse against the Covered Bond Guarantor is limited to such assets. Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice upon the Issuer (whereupon the Covered Bonds will become immediately due and payable as against the Issuer but not at such time as against the Covered Bond Guarantor), the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor.

A Covered Bond Guarantee Acceleration Notice may be served by the Bond Trustee on the Covered Bond Guarantor and the Issuer following the occurrence of a Covered Bond Guarantor Event of Default. If a Covered Bond Guarantee Acceleration Notice is served, the Covered Bonds will become immediately due and payable (if they have not already become due and payable) and the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will be accelerated and the Security Trustee will be entitled to enforce the Security.

Payments made by the Covered Bond Guarantor under the Covered Bond Guarantee will be made subject to, and in accordance with, the Guarantee Priority of Payments. All moneys received or recovered by the Security Trustee or any Receiver after the service of a Covered Bond Guarantee Acceleration Notice will be held by it in the Trust Accounts on trust to be applied in accordance with the Post-Enforcement Priority of Payments (other than Third Party Amounts due to the Sellers and any Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements).

See further the section "*Overview of the Principal Documents – Bond Trust Deed*" in this Prospectus as regards the terms of the Covered Bond Guarantee.

See further the section "*Cashflows – Guarantee Priority of Payments*" as regards the payment of amounts payable by the Covered Bond Guarantor to Covered Bondholders and other Secured Creditors following service of a Notice to Pay.

Asset Coverage Test

The Asset Coverage Test is intended to test the asset coverage of the Assets of the Trust from time to time held by the Covered Bond Guarantor in respect of the Covered Bonds on a monthly basis. This is to ensure that the Assets of the Trust held from time to time by the Covered Bond Guarantor do not fall below a certain threshold and are sufficient for the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee and senior expenses which rank in priority or *pari passu* with amounts due on the Covered Bonds.

The Establishment Deed provides that, prior to the service of a Notice to Pay on the Covered Bond Guarantor, and/or a Covered Bond Guarantee Acceleration Notice on the Issuer and the Covered Bond Guarantor the Assets of the Trust held from time to time by the Covered Bond Guarantor are subject to the Asset Coverage Test. Accordingly, for so long as Covered Bonds remain outstanding, the Trust Manager must ensure that on each Determination Date prior to the service of a Notice to Pay on the Covered Bond Guarantor, and/or a Covered Bond Guarantee Acceleration Notice on the Issuer and the Covered Bond Guarantor the Adjusted Aggregate Mortgage Loan Amount is an amount at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date. The Asset Coverage Test will be tested by the Trust Manager on each such Determination Date.

The Asset Coverage Test will also be tested by the Trust Manager at any time required for the purposes of facilitating repayment of the Demand Loan to the extent such repayment is subject to the Asset Coverage Test being satisfied (notwithstanding the service of a Notice to Pay on the Covered Bond Guarantor).

Pursuant to the terms of the Mortgage Sale Agreement, the Sellers have agreed (and, in the case of the PUMA Funds Seller, the Origination Manager has agreed to direct the PUMA Funds Seller) to use all reasonable endeavours to offer to sell sufficient Mortgage Loan Rights to the Covered Bond Guarantor in order to ensure that the Asset Coverage Test is satisfied (provided that the Sellers will not be obliged to sell to the Covered Bond Guarantor Mortgage Loan Rights if in the reasonable opinion of the relevant Seller (and, in the case of the PUMA Funds Seller, the Origination Manager) the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the relevant Seller and/or the Bank). The consideration payable to the relevant Seller for the sale of such Mortgage Loan Rights to the Covered Bond Guarantor may be funded by (i) cash available to the Covered Bond Guarantor to pay for such Mortgage Loan Rights in accordance with the Pre-Acceleration Principal Priority of Payments; and/or (ii) a drawing under the Demand Loan Agreement. A Seller's ability to offer Mortgage Loan Rights may be restricted if APRA exercises its power to direct the relevant Seller not to transfer any asset to the Covered Bond Guarantor as described in the section "*Description of the Covered Bonds Provisions of the Australian Banking Act - APRA's powers under the Australian Banking Act – Power to prevent additional sales to meet Asset Coverage Test on any day*" above.

Alternatively, the Covered Bond Guarantor may purchase Substitution Assets or request drawings under the Demand Loan Agreement (as directed by the Trust Manager) in order to ensure that the Covered Bond Guarantor is in compliance with the Asset Coverage Test.

If the Adjusted Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of all Covered Bonds on a Determination Date and also on the next following Determination Date, the Asset Coverage Test will not be satisfied on each such Determination Date and the Bond Trustee must serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (subject to the Bond Trustee receiving notification from the Trust Manager or, if earlier, having actual knowledge or express notice that the Asset Coverage Test remains unsatisfied). The Bond Trustee will be deemed to revoke an Asset Coverage

Test Breach Notice if, on the next Determination Date to occur following the service of an Asset Coverage Test Breach Notice, the Asset Coverage Test is satisfied and neither a Notice to Pay nor a Covered Bond Guarantee Acceleration Notice has been served. If the Asset Coverage Test Breach Notice is not deemed to have been revoked on or before the next Determination Date after service of such Asset Coverage Test Breach Notice, an Issuer Event of Default will occur and the Bond Trustee will be entitled (and in certain circumstances, may be required) to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor.

See further the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*", above.

Amortisation Test

The Amortisation Test is intended to ensure that, following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Assets of the Trust held from time to time by the Covered Bond Guarantor do not fall below a certain threshold to ensure that the Assets of the Trust are sufficient to meet the Covered Bond Guarantor's obligations under the Covered Bond Guarantee and senior expenses which rank in priority to or *pari passu* with amounts due on the Covered Bonds.

Pursuant to the Establishment Deed, the Trust Manager must ensure that on each Determination Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Amortisation Test Aggregate Mortgage Loan Amount is in an amount at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds on such Determination Date. A breach of the Amortisation Test will constitute a Covered Bond Guarantor Event of Default and the Bond Trustee will be entitled (and, in certain circumstances, may be required) to serve a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer declaring the Covered Bonds immediately due and repayable and the Security Trustee will be entitled and, in certain circumstances, may be required, to enforce the Security.

See further the section "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*", above.

Reserve Fund

The Covered Bond Guarantor is required to establish a reserve fund within the GIC Account which will be credited with the Available Income Amount or the relevant proceeds of a Term Advance or Reserve Fund Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount in accordance with the applicable Priority of Payments.

The Covered Bond Guarantor will be required on the first Issue Date or first Distribution Date, to deposit into the GIC Account (with a corresponding credit to the Reserve Ledger) any Available Income Amount or the relevant proceeds of a Term Advance or Reserve Fund Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount. On each subsequent Issue Date or Distribution Date, the Covered Bond Guarantor may be required to make further deposits into the GIC Account (with a corresponding credit to the Reserve Ledger) of any Available Income Amount or the relevant proceeds of a Term Advance or Reserve Fund Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount. The Reserve Fund Required Amount on any day will depend on the credit rating and deposit rating of the Issuer. If the Issuer's credit rating or deposit rating, as applicable, is equal to or higher than the Moody's Specified Rating and the Fitch Specified Rating, the Reserve Fund Required Amount is nil (or such other amount as the Issuer will direct the Covered Bond Guarantor). If the Issuer is not rated the Fitch Specified Rating and/or the Moody's Specified Rating the determination of the Reserve Fund Required Amount will depend on the relevant rating trigger(s) not met. See further the section "*Cashflows - Pre-Acceleration Income Priority of Payments*" in this Prospectus and the definitions of "*Reserve Fund Required Amount*" in the section "*Glossary*" of this Prospectus.

Pre-Maturity Test

Each Series of Hard Bullet Covered Bonds is subject to a Pre-Maturity Test on each Local Business Day during the Pre-Maturity Test Period prior to the occurrence of an Issuer Event of Default and/or a Covered Bond Guarantor Event of Default. The Pre-Maturity Test will be breached in relation to a Series of Hard Bullet Covered Bonds if the Issuer's short-term deposit rating from Moody's falls to P-2 (or lower) or its short-term credit rating from Fitch is less than F1+ and, in each case, the Final Maturity Date of the Series of Hard Bullet Covered Bonds

falls within 12 months from the relevant Pre-Maturity Test Date. If the Pre-Maturity Test is breached within such specified period and certain actions are not taken, an Issuer Event of Default will occur.

CASHFLOWS

As described above under Credit Structure, until a Notice to Pay is served on the Covered Bond Guarantor or a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, the Covered Bonds will be obligations of the Issuer only. The Issuer is liable to make payments when due on the Covered Bonds, whether or not the Issuer has received any corresponding payment from the Covered Bond Guarantor.

This section summarises the Priorities of Payments of the Covered Bond Guarantor as to the allocation and distribution of amounts standing to the credit of the GIC Account and their order of priority:

(a) prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice;

(b) following service of a Notice to Pay (but prior to the service of a Covered Bond Guarantee Acceleration Notice); and

(c) following the service of a Covered Bond Guarantee Acceleration Notice,

all in accordance with the Establishment Deed and Security Deed, as applicable.

Allocation and distribution of Available Income Amount prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice

Prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice, the Available Income Amount will be allocated and distributed as described below.

On the Determination Date immediately preceding each Distribution Date, the Trust Manager must calculate:

(a) the Available Income Amount available for distribution on the following Distribution Date;

(b) the Reserve Fund Required Amount (if applicable); and

(c) if the Pre-Maturity Test has been breached in respect of a Series of Hard Bullet Covered Bonds, on each Determination Date falling within the Pre-Maturity Test Period and ending on the Final Maturity Date of the relevant Series of Hard Bullet Covered Bonds, whether or not the amount standing to the credit of the Pre-Maturity Ledger at such date is less than the Australian Dollar Equivalent of the Required Redemption Amount for each Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached at such date after taking into account any Pre-Maturity Demand Loan Advance, Sale Proceeds received following a sale of Selected Mortgage Loan Rights (see the section "*Overview of the Principal Documents - Establishment Deed - Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached*" in this Prospectus) and the application of any Available Principal Amount in accordance with paragraph (b) under the Pre-Acceleration Principal Priority of Payments.

Pre-Acceleration Income Priority of Payments

On each Distribution Date (except for amounts due to third parties by the Covered Bond Guarantor described below under paragraph (c), which will be paid when due and, for the avoidance of doubt, any Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements), the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply the Available Income Amount from the GIC Account to make the following payments and provisions in the following order of priority (the **Pre-Acceleration Income Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

(a) *first*, A$1 to the Income Unitholder;

(b) *second*, *pari passu* and rateably, in or towards satisfaction of any Accrued Interest Adjustment due and payable to each Seller in connection with the transfer of any Mortgage Loan Rights to the Covered Bond Guarantor by that Seller during the Collection Period immediately preceding that Distribution Date;

(c) *third*, in or towards satisfaction, *pari passu* and rateably, of:

(i) any amounts due and payable by the Covered Bond Guarantor to itself as trustee of the Trust, the Bond Trustee and the Security Trustee;

(ii) any remuneration due and payable to each Agent under the provisions of the relevant Agency Agreement;

(iii) any amounts due and payable to other third parties and incurred without breach by the Covered Bond Guarantor of the Programme Documents to which it is a party (and for which payment has not been provided for elsewhere in the relevant Priority of Payments); and

(iv) any liability of the Covered Bond Guarantor for Taxes,

and to provide for any such amounts expected to become due and payable by the Covered Bond Guarantor in the Trust Payment Period in which such Distribution Date occurs;

(d) *fourth*, in or towards satisfaction, *pari passu* and rateably, of:

(i) any remuneration then due and payable to the Servicer and Liabilities then due or to become due and payable to the Servicer under the Servicing Deed in the Trust Payment Period in which such Distribution Date occurs, together with applicable GST (or other similar Taxes) in respect of such amounts;

(ii) any remuneration then due and payable to the Trust Manager and any Liabilities then due or to become due and payable to the Trust Manager under the Management Agreement in the Trust Payment Period in which such Distribution Date occurs, together with applicable GST (or other similar Taxes) in respect of such amounts;

(iii) amounts (if any) due and payable to the Account Bank (including costs) pursuant to the terms of the Account Bank Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts; and

(iv) amounts due and payable to the Cover Pool Monitor pursuant to the terms of the Cover Pool Monitor Agreement (other than the amounts referred to in paragraph (k) below), together with any applicable GST (or other similar Taxes) in respect of such amounts;

(e) *fifth*, if the Issuer is not the Interest Rate Swap Provider or, if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), in or towards payment on the Distribution Date of any amount due and payable, or to provide for payment on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine of any amount to become due and payable, to the Interest Rate Swap Provider in respect of the Interest Rate Swaps (including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swaps but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premium received from any replacement Interest Rate Swap Provider) pursuant to the Interest Rate Swap Agreement;

(f) *sixth*, in or towards payment on the Distribution Date or to provide for payment on a date prior to the next occurring Distribution Date of the proportion of the relevant payments falling due on that date as the Trust Manager may reasonably determine, *pari passu* and rateably, of:

(i) if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has not occurred or is not likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), any amount to become due and payable to the Interest Rate Swap Provider in respect of the Interest Rate Swaps (including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swaps but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premium received from any replacement Interest Rate Swap Provider) pursuant to the Interest Rate Swap Agreement;

(ii) any amounts due or to become due and payable to the relevant Covered Bond Swap Provider (other than in respect of principal) *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond

Guarantor under the relevant Covered Bond Swap Agreement, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(iii) any amounts due or to become due and payable (excluding principal amounts) to the Intercompany Loan Provider, *pari passu* and rateably in respect of each Term Advance pursuant to the terms of the Intercompany Loan Agreement, but in the case of any such payment or provision, after taking into account, if applicable, any amounts (other than principal) receivable from the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement on the Distribution Date or such future date as the Trust Manager may reasonably determine;

(g) *seventh*, if the Pre-Maturity Test has been breached by the Issuer in respect of any Series of Hard Bullet Covered Bonds, towards a credit to the Pre-Maturity Ledger and deposit into the GIC Account by the Covered Bond Guarantor (acting on the directions of the Trust Manager) of an amount up to, but not exceeding the amount by which x exceeds y, where:

x is the Australian Dollar Equivalent of the Required Redemption Amount calculated on the immediately preceding Determination Date for the relevant Series of Hard Bullet Covered Bonds; and

y is the aggregate of:

(A) any amounts standing to the credit of the Pre-Maturity Ledger as at the immediately preceding Determination Date after having deducted the Australian Dollar Equivalent of the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds, as calculated on that Determination Date, which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached; and

(B) any amount to be credited to the Pre-Maturity Ledger on that Distribution Date in accordance with paragraph (b) under the Pre-Acceleration Principal Priority of Payments;

(h) *eighth*, as a deposit into the GIC Account (with a corresponding credit to the Reserve Ledger) of an amount up to but not exceeding the amount by which the Reserve Fund Required Amount exceeds the existing balance on the Reserve Ledger as calculated on the immediately preceding Determination Date (disregarding the balance of the Reserve Ledger funded by way of a Reserve Fund Demand Loan Advance);

(i) *ninth,* if a Servicer Default has occurred and is continuing, the remaining Available Income Amount is to be deposited into the GIC Account (with a corresponding credit to the Income Ledger) until such Servicer Default is either remedied by the Servicer or waived by the Security Trustee (acting on the directions of the Bond Trustee or, if no Covered Bonds are outstanding, the Majority Secured Creditors) or a replacement servicer is appointed to service the Mortgage Loan Rights then forming part of the Assets of the Trust (or the relevant part thereof);

(j) *tenth*, in or towards payment, *pari passu* and rateably of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the Swap Agreements, except to the extent such amounts have been paid out of any premiums received from any relevant replacement Swap Providers;

(k) *eleventh*, in or towards payment of any indemnity amount due to the Cover Pool Monitor pursuant to the Cover Pool Monitor Agreement;

(l) *twelfth*, any interest amount due, or to become due and payable in respect of the Demand Loan, to the Demand Loan Provider pursuant to the terms of the Demand Loan Agreement; and

(m) *thirteenth*, the balance in payment to the Income Unitholder in whole or partial satisfaction of any entitlement to the Net Trust Income of the Trust.

Allocation and distribution of Available Income Amount following service of an Asset Coverage Test Breach Notice

At any time after service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been deemed to have been revoked), but prior to the occurrence of:

(a) an Issuer Event of Default and service of an Issuer Acceleration Notice; or

(b) the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer,

the Available Income Amount will continue to be applied in accordance with the Pre-Acceleration Income Priority of Payments except that, whilst any Covered Bonds remain outstanding, no moneys will be applied under paragraph (f)(iii), (l) or (m) of the Pre-Acceleration Income Priority of Payments, and the remaining Available Income Amount (if any) will be deposited into the GIC Account (with a corresponding credit to the Income Ledger) and will form part of the Available Income Amount to be applied on the next succeeding Distribution Date.

Allocation and Distribution of Available Principal Amount prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice

Prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice, the Available Principal Amount standing to the credit of the GIC Account will be allocated and distributed as described below.

On each Determination Date, the Trust Manager must calculate the Available Principal Amount available for distribution on the immediately following Distribution Date.

Pre-Acceleration Principal Priority of Payments

On each Distribution Date, the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply the Available Principal Amount from the GIC Account (for the avoidance of doubt, excluding any Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements) and any In Specie Mortgage Loan Rights (but only in the case of paragraphs (e) and (h) below) in making the following payments or provisions or credits in the following order of priority (the **Pre-Acceleration Principal Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been paid in full to the extent the same are payable on the relevant Distribution Date):

(a) *first, pari passu* and rateably to reimburse a Seller, MSL and/or the Bank for funding any Trust Further Advances made by that Seller, MSL and/or the Bank to the extent not reimbursed in accordance with the Servicing Deed or on any previous Distribution Date;

(b) *second,* if the Pre-Maturity Test has been breached by the Issuer in respect of any Series of Hard Bullet Covered Bonds, towards a credit to the Pre-Maturity Ledger and deposit into the GIC Account by the Covered Bond Guarantor (acting on the directions of the Trust Manager) of an amount up to but not exceeding the amount by which x exceeds y, where:

x is the Australian Dollar Equivalent of the Required Redemption Amount calculated on the immediately preceding Determination Date for the relevant Series of Hard Bullet Covered Bonds; and

y is any amounts standing to the credit of the Pre Maturity Ledger as at the immediately preceding Determination Date after having deducted the Australian Dollar Equivalent of the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds, as calculated on that Determination Date, which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached;

(c) *third*, to acquire Mortgage Loan Rights from a Seller in accordance with the terms of the Mortgage Sale Agreement and/or to acquire Substitution Assets up to a prescribed limit in an amount sufficient to ensure that taking into account the other resources available to the Covered Bond Guarantor, the Asset Coverage Test is satisfied;

(d) *fourth*, to deposit the remaining Available Principal Amount into the GIC Account (with a corresponding credit to the Principal Ledger) in an amount sufficient to ensure that, after taking into account the other resources available to the Covered Bond Guarantor, the Asset Coverage Test is satisfied;

(e) *fifth*, if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), in or towards repayment of the principal amount of the Demand Loan which is due or to become due and payable pursuant to the terms of the Demand Loan Agreement, to the extent that such payment would not cause the Asset Coverage Test to be breached;

(f) *sixth*, in or towards repayment on the Distribution Date (or to provide for repayment on a future Distribution Date of the proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine) of each relevant Term Advance by making the following payments:

(i) the amounts (in respect of principal) due or to become due and payable to each relevant Covered Bond Swap Provider *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement to the extent not paid out of the Pre-Acceleration Income Priority of Payments, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premium received from any relevant replacement Covered Bond Swap Provider) in accordance with the terms of the relevant Covered Bond Swap Agreement; and

(ii) where appropriate, after taking into account any amounts in respect of principal receivable from a relevant Covered Bond Swap Provider on the Distribution Date or such future Distribution Date as the Trust Manager may reasonably determine, the amounts (in respect of principal) due and payable or to become due and payable to the Intercompany Loan Provider *pari passu* and rateably in respect of each relevant Term Advance;

(g) *seventh*, to pay the Consideration for Mortgage Loan Rights assigned by a Seller to the Covered Bond Guarantor in accordance with the Mortgage Sale Agreement;

(h) *eighth*, in or towards repayment of any principal amount of the Demand Loan (other than any principal amount relating to an Interest Rate Shortfall Demand Loan Advance):

(i) which remains due and payable pursuant to the Demand Loan Agreement after any distribution as a result of the Covered Bonds having been repaid in full and confirmation from the Issuer that no additional Covered Bonds will be issued under the Programme;

(ii) for which a demand is made by the Demand Loan Provider in accordance with the Demand Loan Agreement and at which time the Issuer has not determined and notified the Covered Bond Guarantor and the Trust Manager that a Regulatory Event has occurred or is likely to occur, to the extent that such payment would not cause the Asset Coverage Test to be breached; or

(iii) where the Issuer has determined and notified the Covered Bond Guarantor and the Trust Manager that a Regulatory Event has occurred or is likely to occur and an In Specie Failure has also occurred, to the extent such payment has not already been made in accordance with paragraph (e) above and subject to the Asset Coverage Test being satisfied on the date of such repayment after taking into account such repayment;

(i) *ninth*, to be paid to the Income Unitholder in whole or partial satisfaction of any entitlement to Net Trust Income of the Trust remaining unpaid; and

(j) *tenth,* the remainder to be paid to the Capital Unitholder.

No part of the Available Principal Amount will be applied under paragraph (e) above by the Covered Bond Guarantor. The Trust Manager must ensure that paragraph (e) above is satisfied by an in specie distribution to the Demand Loan Provider or its Nominee of the In Specie Mortgage Loan Rights pursuant to the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus. The amount described in paragraph (h) above may also be satisfied, in the Trust Manager's discretion, by an in specie distribution to the Demand Loan Provider or its Nominee of the In Specie Mortgage Loan Rights rather than by application of any Available Principal Amount.

Allocation and distribution of Available Principal Amount following service of an Asset Coverage Test Breach Notice

At any time after the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been deemed to have been revoked), but prior to the occurrence of:

(a) an Issuer Event of Default and service of an Issuer Acceleration Notice; or

(b) the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice,

the Available Principal Amount will continue to be applied in accordance with the Pre-Acceleration Principal Priority of Payments save that, whilst any Covered Bonds remain outstanding, no moneys will be applied under paragraphs (c), (f)(ii), (g), (h), (i) or (j) of the Pre-Acceleration Principal Priority of Payments, and the remaining Available Principal Amount (if any) will be deposited into the GIC Account (with a corresponding credit to the Principal Ledger) and will form part of the Available Principal Amount to be applied on the following Distribution Date.

Allocation and distribution of Available Income Amount and Available Principal Amount following service of a Notice to Pay

At any time after the service of a Notice to Pay on the Covered Bond Guarantor, but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Available Income Amount and Available Principal Amount will be applied as described below.

The Trust Manager, will create and maintain the Pre-Maturity Ledger for each Series of Hard Bullet Covered Bonds and record amounts allocated to such Series of Hard Bullet Covered Bonds, and such amounts, once allocated, will only be available to pay amounts due under the Covered Bond Guarantee and amounts due under the relevant Covered Bond Swap in respect of the relevant Series of Hard Bullet Covered Bonds on the scheduled repayment dates thereof.

If a Notice to Pay has been served on the Covered Bond Guarantor, on the Final Maturity Date of a Series of Hard Bullet Covered Bonds, the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply all moneys (if any) standing to the credit of the Pre-Maturity Ledger to repay the relevant Series (after having been exchanged into the applicable currency if required under the related Covered Bond Swap).

Guarantee Priority of Payments

On each Distribution Date (except for amounts due to third parties described under paragraph (e)(ii) below which in each case will be paid when due and, for the avoidance of doubt, excluding any Swap Collateral Excluded Amounts in respect of the Swap Providers, which shall be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements) the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply the Available Income Amount, the Available Principal Amount and any In Specie Mortgage Loan Rights (but only in the case of paragraphs (g) or (q) below) to make the following payments and provisions in the following order of priority (**Guarantee Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

(a) *first*, A$1 to the Income Unitholder;

(b) *second*, *pari passu* and rateably, in or towards satisfaction of any Accrued Interest Adjustment due and payable to each Seller in connection with the transfer of any Mortgage Loan Rights to the Covered Bond Guarantor by that Seller during the Collection Period immediately preceding that Distribution Date;

(c) *third*, *pari passu* and rateably to reimburse a Seller, MSL and/or the Bank for funding any Trust Further Advances made by that Seller, MSL and/or the Bank to the extent not reimbursed in accordance with the Servicing Deed or on any previous Distribution Date;

(d) *fourth*, in or towards satisfaction *pari passu* and rateably of:

(i) all amounts due and payable or to become due and payable to the Bond Trustee (excluding all amounts otherwise payable to the Covered Bondholders and Couponholders under the Guarantee Priority of Payments) in the Trust Payment Period in which such Distribution Date occurs under the provisions of the Bond Trust Deed together with interest and any applicable GST (or other similar Taxes) in respect of such amounts;

(ii) all amounts due and payable or to become due and payable to the Security Trustee (excluding all amounts otherwise payable to the Covered Bondholders and Couponholders under the Guarantee Priority of Payments) in the Trust Payment Period in which such Distribution Date occurs under the provisions of the Security Deed together with interest and any applicable GST (or other similar Taxes) in respect of such amounts;

(iii) all amounts due and payable or to become due and payable to the Covered Bond Guarantor as trustee of the Trust in the Trust Payment Period in which such Distribution Date occurs under the Establishment Deed together with interest and any applicable GST (or other similar Taxes) in respect of such amounts;

(e) *fifth*, in or towards satisfaction *pari passu* and rateably of:

(i) any remuneration then due and payable to the Agents under the provisions of the Agency Agreements together with applicable GST (or other similar Taxes) in respect of such amounts;

(ii) any amounts then due and payable by the Covered Bond Guarantor to third parties and incurred without breach by the Covered Bond Guarantor of the Programme Documents to which it is a party (and for which payment has not been provided for elsewhere in this Guarantee Priority of Payments) and to provide for any such amounts expected to become due and payable by the Covered Bond Guarantor in the Trust Payment Period in which such Distribution Date occurs; and

(iii) any liability of the Covered Bond Guarantor for Taxes;

(f) *sixth*, in or towards satisfaction *pari passu* and rateably of:

(i) any remuneration then due and payable to the Servicer and any Liabilities then due or to become due and payable to the Servicer in the Trust Payment Period in which such Distribution Date occurs under the Servicing Deed together with any applicable GST (or other similar Taxes) in respect of such amounts;

(ii) any remuneration then due and payable to the Trust Manager and any Liabilities then due or to become due and payable to the Trust Manager in the Trust Payment Period in which such Distribution Date occurs under the Management Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(iii) amounts (if any) due and payable to the Account Bank (including costs) pursuant to the terms of the Account Bank Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts; and

(iv) amounts due and payable to the Cover Pool Monitor (other than the amounts referred to in paragraph (p) below) pursuant to the terms of the Cover Pool Monitor Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(g) *seventh*, if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), in and towards repayment of the principal amount of the Demand Loan which is due or to become due and payable pursuant to a demand from the Demand Loan Provider under the terms of the Demand Loan Agreement, to the extent that such payment would not cause the Asset Coverage Test to be breached;

(h) *eighth*, if the Issuer is not the Interest Rate Swap Provider or, if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), in or towards payment on the Distribution Date of any amount due and payable, or to provide for payment on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably

determine of any amount to become due and payable, to the Interest Rate Swap Provider in respect of the Interest Rate Swap Agreement (including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swap Agreement but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amount has been paid out of any premiums received from any replacement Interest Rate Swap Provider) in accordance with the Interest Rate Swap Agreement;

(i) *ninth*, in or towards payment on the Distribution Date or to provide for payment on a future *Distribution* Date of such proportion of the relevant payments falling due in the future as the Trust Manager may reasonably determine, *pari passu* and rateably of:

(i) if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has not occurred or is not likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), any amount due and payable, or to provide for payment on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine of any amount to become due and payable, to the Interest Rate Swap Provider in respect of the Interest Rate Swap Agreement (including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swap Agreement but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any replacement Interest Rate Swap Provider) in accordance with the Interest Rate Swap Agreement;

(ii) any amounts due or to become due and payable to each relevant Covered Bond Swap Provider (other than in respect of principal or any amounts due and payable in relation to the Subordinated Additional Spread) *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(iii) Scheduled Interest that is Due for Payment (or that will become Due for Payment in the Trust Payment Period in which such Distribution Date occurs) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Principal Paying Agent (other than in respect of the A$ Registered Covered Bonds) or the A$ Registrar (in the case of A$ Registered Covered Bonds) on behalf of the Covered Bondholders and Couponholders *pari passu* and rateably in respect of each Series of Covered Bonds,

but, in the case of any such payment or provision (other than a payment or provision under sub-paragraph (i) above), after taking into account, if applicable, any amounts (other than principal) receivable from each relevant Covered Bond Swap Provider under each relevant Covered Bond Swap Agreement on the Distribution Date or a future Distribution Date as the Trust Manager may reasonably determine, provided that if the amount available for distribution under this paragraph (i) (excluding any amounts received or to be received from each relevant Covered Bond Swap Provider) to the relevant Covered Bondholders would be insufficient to pay the Australian Dollar Equivalent of the Scheduled Interest that is or will be Due for Payment in respect of each Series of Covered Bonds under sub-paragraph (iii) above, the shortfall will be divided *pari passu* and rateably amongst all such Series of Covered Bonds and any amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made under the relevant Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds under sub-paragraph (ii) above will be correspondingly reduced to take into account the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(j) *tenth*, in or towards payment on the Distribution Date or to provide for payment in the immediately following Trust Payment Period, *pari passu* and rateably of:

(i) any amounts (in respect of principal) due or to become due and payable to each relevant Covered Bond Swap Provider *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the

relevant Covered Bond Swap Agreement to the extent not already paid under paragraph (i)(ii) above, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(ii) (where appropriate, after taking into account any amounts in respect of principal receivable from the relevant Covered Bond Swap Provider and available to make payments in respect thereof) Scheduled Principal that is Due for Payment (or that will become Due for Payment in the immediately following Trust Payment Period) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Principal Paying Agent on behalf of the Covered Bondholders *pari passu* and rateably in respect of each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (j) (excluding any amounts received or to be received from the relevant Covered Bond Swap Providers) would be insufficient to pay the Australian Dollar Equivalent of the Scheduled Principal that is or will be Due for Payment in respect of each Series of Covered Bonds under sub-paragraph (ii) above, the shortfall will be divided amongst all such Series of Covered Bonds on a *pari passu* and rateable basis and the amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made in respect thereof under sub-paragraph (i) above will be correspondingly reduced to take into account the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(k) *eleventh*, in or towards payment on the Distribution Date (if such date is an Interest Payment Date) or to provide for payment on any Interest Payment Date prior to the immediately following Distribution Date of the Final Redemption Amount (or portion remaining unpaid) of any Series of Covered Bonds to which an Extended Due for Payment Date applies and whose Final Redemption Amount was not paid in full by the Extension Determination Date, *pari passu* and rateably of:

(i) any amounts due or to become due and payable to the relevant Covered Bond Swap Provider (whether or not in respect of principal and other than any amounts due and payable in relation to the Subordinated Additional Spread) *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement to the extent not already paid under paragraphs (i)(ii) or (j)(i) above, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(ii) such Final Redemption Amount *pari passu* and rateably under the Covered Bond Guarantee in respect of each relevant Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Principal Paying Agent on behalf of the Covered Bondholders,

but, in the case of any such payment or provision, after taking into account, if applicable, any amounts (whether or not in respect of principal) receivable from each relevant Covered Bond Swap Provider under each relevant Covered Bond Swap Agreement, provided that if the amount available for distribution under this paragraph (k) (excluding any amounts received or to be received from the relevant Covered Bond Swap Provider) would be insufficient to pay the Australian Dollar Equivalent of such Final Redemption Amount in respect of the relevant Series of Covered Bonds under sub-paragraph (ii) above, the shortfall will be divided amongst all such Series of Covered Bonds on a *pari passu* and rateable basis and any amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each Series of Covered Bonds under sub-paragraph (i) above will be correspondingly reduced to take into account the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(l) *twelfth*, to deposit the remaining moneys in the GIC Account for application on the immediately following Distribution Date in accordance with the priority of payments described in paragraphs (a) to (k) (inclusive) above, until the Covered Bonds have been fully repaid or provided for (such that the Required Redemption Amount has been accumulated in respect of each outstanding Series of Covered Bonds);

(m) *thirteenth,* in or towards payment on the Distribution Date or to provide for payment in the immediately following Trust Payment Period, of any amounts due or to become due and payable to any relevant Covered Bond Swap Provider relating to the Subordinated Additional Spread *pari passu* and rateably in respect of each relevant Covered Bond Swap in accordance with the relevant Covered Bond Swap Agreement;

(n) *fourteenth,* in or towards payment *pari passu* and rateably of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the Swap Agreements, except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Swap Providers;

(o) *fifteenth,* in or towards payment of all amounts due and payable (whether in respect of principal or interest) under the Intercompany Loan Agreement;

(p) *sixteenth,* in or towards payment of certain costs, expenses and indemnity amounts due by the Covered Bond Guarantor to the Cover Pool Monitor pursuant to the Cover Pool Monitor Agreement;

(q) *seventeenth,* in or towards payment of any amounts due and payable under the Demand Loan pursuant to the terms of the Demand Loan Agreement to the extent that such payment has not already been made in accordance with paragraph (g) above (including upon the occurrence of a Regulatory Event and as a result of an In Specie Failure, any amounts that would otherwise have been satisfied under paragraph (g) above);

(r) *eighteenth,* to be paid to the Income Unitholder in whole or partial satisfaction of any entitlement to the Net Trust Income of the Trust remaining unpaid; and

(s) *nineteenth*, the remainder to be paid to the Capital Unitholder.

No part of the Available Principal Amount or the Available Income Amount will be applied under paragraph (g) above by the Covered Bond Guarantor. The Trust Manager must ensure that paragraph (g) above is satisfied by an in specie distribution to the Demand Loan Provider or its Nominee of the In Specie Mortgage Loan Rights pursuant to the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus. The amount described in paragraph (q) above may also be satisfied, in the Trust Manager's discretion, by an in specie distribution to the Demand Loan Provider or its Nominee of the In Specie Mortgage Loan Rights rather than by application of any Available Principal Amount or Available Income Amount.

Amounts received on or after the Distribution Date

Amounts received under the Covered Bond Swap Agreements

(a) Subject to paragraph (c) below, any amounts (other than in respect of principal and any Swap Collateral Excluded Amounts) received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap on or after a Distribution Date but prior to the immediately succeeding Distribution Date will be applied by the Covered Bond Guarantor (acting on the directions of the Trust Manager) together with any provision for such payments made on any preceding Distribution Date, to make payments (other than in respect of principal) due and payable *pari passu* and rateably in respect of each relevant Term Advance or otherwise to make provision for such payments on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine.

(b) Subject to paragraph (c) below, any amounts (other than Swap Collateral Excluded Amounts) in respect of principal received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap on or after a Distribution Date but prior to the immediately succeeding Distribution Date will be applied, by the Covered Bond Guarantor (acting on the directions of the Trust Manager) together with any provision for such payments made on any preceding Distribution Date (provided that all principal amounts outstanding under the related Series of Covered Bonds which have fallen due for repayment on such date have been repaid in full by the Issuer), to make payments in respect of principal due and payable in respect of the corresponding Term Advances or otherwise to make provision for such payments on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine.

(c) At any time after the service of a Notice to Pay on the Covered Bond Guarantor, but prior to service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, any amounts (other than Swap Collateral Excluded Amounts) received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap (whether or not in respect of principal) on or after a Distribution Date but prior to the immediately succeeding Distribution Date will be applied, by the Covered Bond Guarantor (acting on the directions of the Trust Manager) together with any provision for such payments made on any preceding Distribution Date, to make payments of Scheduled Interest or Scheduled Principal under the Covered Bond Guarantee *pari passu* and rateably in respect of each relevant Series of Covered Bonds.

(d) Any amounts (other than in respect of principal and any Swap Collateral Excluded Amounts) received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap on or after a Distribution Date but prior to the immediately succeeding Distribution Date that are not applied towards a payment or provision in accordance with paragraph (f) of the Pre-Acceleration Income Priority of Payments, paragraph (i) of the Guarantee Priority of Payments or paragraph (a) or (c) above will be deposited by the Covered Bond Guarantor (acting on the directions of the Trust Manager) into the GIC Account and will form part of the Available Income Amount to be applied on that Distribution Date (if received on that day) or on the immediately succeeding Distribution Date (if received after that Distribution Date).

(e) Any amounts (other than Swap Collateral Excluded Amounts) of principal received under a Covered Bond Swap on a Distribution Date or any date prior to the immediately succeeding Distribution Date which are not applied towards a payment or provision in accordance with paragraph (f) of the Pre-Acceleration Principal Priority of Payments, paragraph (j) of the Guarantee Priority of Payments or paragraph (b) or (c) above, will be deposited by the Covered Bond Guarantor (acting on the directions of the Trust Manager) into the GIC Account and will form part of the Available Principal Amount to be applied on that Distribution Date (if received on that day) or on the immediately succeeding Distribution Date (if received after that Distribution Date).

Amounts received in respect of the transfer of Mortgage Loan Rights

Any amounts of principal received from a Seller or the Bank in respect of a transfer of Mortgage Loan Rights to that Seller or the Bank to enable the Covered Bond Guarantor (acting on the directions of the Trust Manager) to apply such amounts to repay any relevant Term Advance on the date on which the Covered Bonds corresponding to such Term Advance mature, will not be applied in accordance with the Pre-Acceleration Principal Priority of Payments and will (after being swapped, if necessary, under the relevant Covered Bond Swap) be applied or be deemed to be applied by the Covered Bond Guarantor (acting on the directions of the Trust Manager) in repayment of the relevant Term Advances on the date on which the Covered Bonds corresponding to such Term Advances mature, subject to the Asset Coverage Test being satisfied on the date of such repayment after giving effect to such repayment and after taking into account amounts that will be paid or provided for on the immediately following Distribution Date.

Termination payments in respect of Swaps and premiums received in respect of replacement Swaps

If the Covered Bond Guarantor receives any termination payment from a Swap Provider in respect of a Swap, the Trust Manager will direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, use such termination payment (prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice) towards the payment, to the extent required, to a replacement Swap Provider to enter into a replacement Swap with the Covered Bond Guarantor (and, for the avoidance of doubt, the amount of such termination payment received from the Swap Provider will not form part of the Available Income Amount or Available Principal Amount to the extent it is used to make such payment to such replacement Swap Provider), unless a replacement Swap has already been entered into on behalf of the Covered Bond Guarantor or if no replacement Swap is entered into in which case the termination payment will be applied in accordance with the applicable Priority of Payments. In the case that the full amount of the termination payment is not required to pay the replacement Swap Provider, the remaining part of the termination payment will form part of the Available Income Amount or the Available Principal Amount, as applicable, to be applied in accordance with the applicable Priority of Payments.

If the Covered Bond Guarantor receives any premium from a replacement Swap Provider in respect of a replacement Swap, the Trust Manager will direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, use such premium towards making any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Swap (and, for the avoidance of doubt, the amount of such premium

used to pay the applicable termination payment will not form part of the Available Income Amount or Available Principal Amount to the extent it is used to make such payment to such previous Swap Provider), unless such termination payment has already been made by or on behalf of the Covered Bond Guarantor in which case the premium will be applied in accordance with the applicable Priority of Payments. In the case that the full amount of the premium payment is not required to pay the previous Swap Provider, the remaining part of the premium will form part of the Available Income Amount or the Available Principal Amount, as applicable, to be applied in accordance with the applicable Priority of Payments.

Application of moneys received by the Security Trustee following the service of a Covered Bond Guarantee Acceleration Notice

From and including the time when the Bond Trustee serves a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, no amount may be withdrawn from the Trust Accounts without the prior written consent of the Security Trustee (acting on the directions of (for so long as any Covered Bonds are outstanding) the Bond Trustee or (where no Covered Bonds are outstanding) the Majority Secured Creditors).

Post-Enforcement Priority of Payments

All moneys received or recovered by the Security Trustee or any Receiver (excluding all amounts due or to become due in respect of any Third Party Amounts and, for the avoidance of doubt, excluding any Swap Collateral Excluded Amounts in respect of the Swap Providers, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements) and any In Specie Mortgage Loan Rights (but only in the case of paragraphs (f) and (l) below), after service of a Covered Bond Guarantee Acceleration Notice, for the benefit of the Secured Creditors in respect of the Secured Obligations, must be held by it in the Trust Accounts on trust to be applied (unless required otherwise by law), in the following order of priority (and, in each case, only if and to the extent that payments or provisions of a higher order of priority have been made in full) (the **Post-Enforcement Priority of Payments**):

(a) *first*, *pari passu* and rateably, in or towards satisfaction of any Accrued Interest Adjustment outstanding to each Seller in connection with the transfer of any Mortgage Loan Rights by that Seller to the Trust;

(b) *second*, *pari passu* and rateably in or towards payment to each Seller, MSL and/or the Bank of any unreimbursed Trust Further Advances made by that Seller, MSL and/or the Bank;

(c) *third*, in or towards satisfaction *pari passu* and rateably of:

(i) all amounts due and payable or to become due and payable to the Bond Trustee under the provisions of the Bond Trust Deed (but not including amounts otherwise payable to Covered Bondholders under this Post-Enforcement Priority of Payments) together with interest and any applicable GST (or similar Taxes) in respect of such amounts;

(ii) all amounts due and payable or to become due and payable to the Security Trustee and any Receiver (but not including amounts otherwise payable to Covered Bondholders under this Post-Enforcement Priority of Payments) together with interest and any applicable GST (or similar Taxes) in respect of such amounts; and

(iii) all amounts due and payable or to become due and payable to the Covered Bond Guarantor under the provisions of the Establishment Deed together with interest and any applicable GST (or similar Taxes) in respect of such amounts;

(d) *fourth,* in or towards satisfaction *pari passu* and rateably of any remuneration then due and payable to the Agents under or pursuant to each Agency Agreement together with any applicable GST (or similar Taxes) in respect of such amounts as provided in the relevant Agency Agreement;

(e) *fifth*, in or towards satisfaction *pari passu* and rateably of:

(i) any remuneration then due and payable to the Servicer and any Liabilities then due or to become due and payable to the Servicer under the provisions of the Servicing Deed, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(ii) amounts due to the Account Bank (including any Liabilities) pursuant to the terms of the Account Bank Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts; and

(iii) any remuneration then due and payable to the Trust Manager and any Liabilities then due or to become due and payable to the Trust Manager under the Management Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(f) *sixth*, if a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Security Trustee or any Receiver and the Trust Manager), in or towards repayment of any amounts due and payable in respect of the Demand Loan pursuant to the terms of the Demand Loan Agreement, to the extent that such payment would not cause the Asset Coverage Test to be breached;

(g) *seventh*, if the Issuer is not the Interest Rate Swap Provider or, if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has occurred or is likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), in or towards satisfaction of any amounts due and payable to the Interest Rate Swap Provider (including any termination payment, but excluding any Excluded Swap Termination Amount) pursuant to the terms of the Interest Rate Swap Agreement;

(h) *eighth*, in or towards satisfaction *pari passu* and rateably, of:

(i) if the Issuer is the Interest Rate Swap Provider and a Regulatory Event has not occurred or is not likely to occur (as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager), any amounts due and payable to the Interest Rate Swap Provider (including any termination payment, but excluding any relevant Excluded Swap Termination Amount) pursuant to the terms of the Interest Rate Swap Agreement;

(ii) any amounts due and payable to each relevant Covered Bond Swap Provider *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement, but excluding any relevant Excluded Swap Termination Amount or any amounts due and payable in relation to the Subordinated Additional Spread) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(iii) any amounts due and payable under the Covered Bond Guarantee, to the Bond Trustee or (if so directed by the Bond Trustee) the relevant Agent on behalf of the Covered Bondholders *pari passu* and rateably in respect of interest and principal due and payable on each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (h) (excluding any amounts received from the relevant Covered Bond Swap Provider) to the Covered Bondholders would be insufficient to pay the Australian Dollar Equivalent of the amounts due and payable under the Covered Bond Guarantee in respect of each Series of Covered Bonds under sub-paragraph (iii) above, the shortfall will be divided *pari passu* and rateably amongst all such Series of Covered Bonds on a *pari passu* and rateable basis and any amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap in respect of each relevant Series of Covered Bonds or provision to be made under the relevant Covered Bond Swap in respect of each relevant Series of Covered Bonds under sub-paragraph (ii) above will be correspondingly reduced to take account of the shortfall applicable to the Covered Bonds in respect of which such payment or provision is to be made;

(i) *ninth,* in or towards satisfaction *pari passu* and rateably of any amounts due and payable by the Covered Bond Guarantor to any relevant Covered Bond Swap Provider relating to the Subordinated Additional Spread *pari passu* and rateably in respect of each relevant Covered Bond Swap in accordance with the relevant Covered Bond Swap Agreement;

(j) *tenth,* in or towards satisfaction *pari passu* and rateably of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the relevant Swap Agreements, except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Swap Providers;

(k) *eleventh,* in or towards payment of all amounts outstanding under the Intercompany Loan Agreement;

(l) *twelfth,* in or towards payment of any amounts outstanding under the Demand Loan Agreement to the extent that such payment has not already been made in accordance with paragraph (f) above (including upon the occurrence of a Regulatory Event and as a result of an In Specie Failure);

(m) *thirteenth*, to be paid to the Income Unitholder in whole or partial satisfaction of any entitlement to Net Trust Income of the Trust remaining unpaid; and

(n) *fourteenth,* the remainder to be paid to the Capital Unitholder.

No moneys received or recovered by the Security Trustee or any Receiver are to be applied under paragraph (f) above. The amount payable in accordance with paragraph (f) above must only be satisfied by an in specie distribution by the Security Trustee or the Receiver to the Demand Loan Provider or its Nominee of the In Specie Mortgage Loan Rights pursuant to the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus. The amount described in paragraph (l) above may also be satisfied by an in specie distribution by the Security Trustee or any Receiver to the Demand Loan Provider or its Nominee of the In Specie Mortgage Loan Rights rather than by the application of any moneys received or recovered by the Security Trustee or any Receiver.

THE MORTGAGE LOAN RIGHTS

The Mortgage Loan Rights forming part of the Assets of the Trust acquired by the Covered Bond Guarantor will consist of Mortgage Loan Rights sold by the Sellers to the Covered Bond Guarantor from time to time, in accordance with the terms of the Mortgage Sale Agreement, as more fully described under the section "*Overview of the Principal Documents – Mortgage Sale Agreement*" in this Prospectus.

Any schedule of Mortgage Loan Rights attached to any Transfer Proposal may be provided in a document stored upon electronic media (including, but not limited to, electronic mail and CD-ROM).

See also the following risk factors under the section "*Risk Factors – Risk Factors Relating to the Covered Bond Guarantor, Including the Ability of the Covered Bond Guarantor to Fulfil its Obligations in Relation to the Covered Bond Guarantee – Limited description of the Mortgage Loan Rights*" in this Prospectus.

ORIGINATION, MORTGAGE LOAN FEATURES, SERVICING AND ENFORCEMENT

The Mortgage Loans assigned to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement consists of Mortgage Loans originated by either of the Sellers. The origination process, types of Mortgage Loans, and their servicing and enforcement, are summarised below. However, the servicing and enforcement of Mortgage Loans may change in the future. See also the sections "*Risk Factors – Risk Factors Relating to the Covered Bond Guarantor, Including the Ability of the Covered Bond Guarantor to Fulfil its Obligations in Relation to the Covered Bond Guarantee – The Servicing Guidelines*" and "*Risk Factors – Risk Factors Relating to the Covered Bond Guarantor, Including the Ability of the Covered Bond Guarantor to Fulfil its Obligations in Relation to the Covered Bond Guarantee – Limited description of the Mortgage Loan Rights*" in this Prospectus.

The Mortgage Loans

As at the date of this Prospectus, the Mortgage Loans assigned to the Covered Bond Guarantor were all originated by the MBL Seller.

The Mortgage Loans have all been originated by the MBL Seller in the ordinary course of its home lending business. The Mortgage Loans are secured by registered first ranking mortgages on freehold land located in Australia, or leasehold land in Australia with a lease term at least ten years longer than the loan term.

Each Mortgage Loan will be one of the types of products, and may have some or all of the features, described in the "Mortgage Loan Product Types" and the "Special features of the Mortgage Loans" sections below.

Origination and Management of Mortgage Loans

The origination, underwriting and settlement processes outlined below are regularly reviewed by the Bank. The Mortgage Loans have been originated over a period of time. Accordingly, as the origination, underwriting and settlement processes are subject to change from time to time, it is likely that some of the Mortgage Loans were originated, underwritten and settled pursuant to origination, underwriting and settlement processes that differ from the processes outlined below.

Origination of Mortgage Loans

All Mortgage Loans have been originated through mortgage brokers and aggregators (Brokers) or through the MBL Seller's direct channel.

Before being accredited by the Bank, each prospective Broker must demonstrate to the Bank appropriate licensing and satisfactory broking experience, supported by such qualifications as the Bank deems appropriate in accordance with its current broker accreditation standards. These may include membership of an appropriate industry association, satisfactory criminal and credit history, and sufficient professional indemnity insurance. The MBL Seller contracts directly with the aggregator through a written agreement which stipulates that the aggregator is responsible for having appropriate monitoring and oversight of its mortgage brokers. In addition, each Broker must acknowledge that it will comply with the MBL Seller's "Broker Code of Conduct".

Mortgage Loan applications are solicited by the Brokers through various means, depending on the particular type and sales strategies of each Broker. Some of the typical means by which Mortgage Loan applications are solicited include direct marketing (including direct e-mail campaigns, telephone call centres, marketing material appearing on websites and advertising campaigns via television, print media and radio), mobile sales personnel, and enabling Mortgage Loan applications to be completed at the intending Borrower's home, at the offices of Brokers or via websites or apps established by Brokers.

Approval and Underwriting Process

An application from an intending Borrower is submitted to the Bank either directly or via a Broker.

The Bank, like other lenders in the Australian residential home loan market, does not divide its Borrowers into groups of differing credit quality for the purposes of setting standard interest rates for its residential mortgage loans.

When a Mortgage Loan application is received, it is processed in accordance with the Bank's credit policy. Among other things, the policy sets out the underwriting criteria to be used in assessing Mortgage Loan applications,

determining the suitability of loan applicants and evaluating the value and adequacy of the property to be used as security for the Mortgage Loan. Key requirements under the Bank's credit policy include the following:

- the applicant must be a minimum of eighteen years of age;
- confirming the legal capacity of the applicant entering into the loan contract;
- confirming the applicant's employment status;
- satisfactory credit checks;
- satisfactory loan repayment history (in respect of refinance loans);
- satisfactory asset/liability position; and
- the applicant's financial capacity to repay the Mortgage Loan.

Where circumstances warrant, giving overall consideration to the strength of the application, a Mortgage Loan may be made with the approval of a senior credit officer of the Bank where certain elements were outside defined parameters.

Verification of Application Details

The current verification process involves an intending Borrower providing proof of identity, evidence of income and in limited circumstances evidence of a savings pattern. For an employed applicant, it includes confirming employment and income levels. For a self-employed applicant, it includes checking tax returns. Where required, statements or records of savings are reviewed to identify any recent additional borrowings or gifts. In all cases where applicants are refinancing any debts from another financial institution, a check of statements of that existing loan is made to determine the regularity of payments, or the intending Borrower's credit history under that existing loan is reviewed via "comprehensive credit reporting" (see below).

The Bank checks the credit histories of any existing borrowings from the Sellers and also undertakes external credit checks (which outline previous enquiries for credit made by the applicant and historical loan defaults that are recorded for that applicant). In some instances, the Bank also utilises certain automated processes designed to detect debts to other financial institutions that were not disclosed by the applicant on its application. Information on an individual that is able to be shared by lenders through the credit reporting system has historically been limited to credit applications and credit defaults (known as "negative credit reporting"). However, progressive implementation of comprehensive credit reporting which involves reporting on additional data including the types of loans and credit accounts held, when accounts were opened and closed, credit limits and repayment history commenced among some Australian lenders in 2018, and is being increasingly utilised by the Bank for new lending since December 2019.

The credit history of each Borrower and guarantor is searched by reference to Equifax Australia Information Services & Solutions Pty Limited, part of the Equifax global group of companies whose parent, Equifax Inc., is listed on the New York Stock Exchange.

Assessing Ability to Repay

Based upon the application, once verified, an assessment is made of the applicant's ability to repay the Mortgage Loan. This assessment is primarily based on the applicant's net servicing ratio, along with any risk factors identified in determining the applicant's income, savings or credit history. Applicants must demonstrate the capacity to repay the Mortgage Loan and satisfy all other commitments including general living expenses. As a general rule, in calculating the applicant's net servicing ratio, the amount of the applicant's available income after tax to total financial commitments should equal or exceed their income verified in accordance with the Bank's credit policy.

Mortgage Loan applications are assessed by a loan officer and decisioning systems of the Bank. Each loan officer is allocated a credit approval authority based on their level of experience and past performance. Mortgage Loans which have certain risk characteristics, such as loan size or a high commitment level, are assessed by more experienced loan officers. The decisioning system may complete certain components of the assessment, such as income verification, however the overall application assessment remains the responsibility of a loan officer.

Valuation of Mortgaged Property

For applications which successfully pass the credit decision process, the loan-to-value ratio is calculated. The loan-to-value ratio (LTV) is the ratio of the Mortgage Loan amount to the lesser of the value of the mortgaged property where a valuation is obtained, or the purchase price of the mortgaged property, if the purpose of the Mortgage Loan is to purchase a property. If the LTV so calculated is equal to or below the maximum LTV for the loan type, as set out in the Bank's credit policy, an offer for finance is made conditional upon any other outstanding conditions being satisfied. The amount of the Mortgage Loan that will be approved for a successful applicant is based on an assessment of the applicant's ability to service the proposed Mortgage Loan and the LTV.

For the purposes of calculating the LTV, the value of a mortgaged property in relation to a Mortgage Loan is determined at origination by a qualified professional valuer (via a physical or desktop valuation) or, subject to certain risk criteria, an automated valuation model or a contract for the purchase of the mortgaged property. The risk criteria include limits on the loan amount and the value and geographical location of the mortgaged property.

All valuations are addressed to the Bank. The terms of the instructions to valuers are specified by the Bank and may vary depending on the LTV or other factors in accordance with policies determined by the Bank from time to time. The maximum LTV that is permitted for any loan is determined according to the Bank's credit policies and is dependent on the size of the proposed loan, the nature, type and location of the proposed mortgaged property and other relevant factors. Overall, the maximum current LTV for Mortgage Loans will be 95 per cent.. For some types of Mortgage Loans, the maximum LTV will in fact be less.

Settlement of Mortgage Loans

The Bank prepares the loan contract, and a panel lawyer is instructed to prepare mortgage documentation and settle the Mortgage Loan. All documentation is given in accordance with all applicable requirements of the Consumer Credit Code and the National Consumer Credit Protection Laws, and panel lawyers operate in accordance with written instructions issued by the Bank.

Prior to the settlement of a Mortgage Loan, the panel lawyer provides warranties and certifications in respect of that Mortgage Loan in favour of the Bank. On receipt of those warranties and certifications the Bank authorises the advance of the Mortgage Loan and makes the necessary funds available for settlement.

Mortgage Loan Product Types

The Mortgage Loans consist of a basic home loan facility and an offset home loan facility, with various features and options applicable to both types. The Mortgage Loans are acquired by Borrowers for the primary purposes of either purchasing an owner-occupied residential property or for investment or personal purposes and may involve the refinance of an existing loan from another lender.

Basic Home Loan

The Basic Home Loan consists of a traditional standalone Mortgage Loan facility available to Borrowers 18 years or over who are permanent residents of Australia.

Offset Home Loan

The Offset Home Loan is a traditional standalone Mortgage Loan facility offered by the MBL Seller with the option of an offset transaction account attached to the loan account. The offset account operates (except in relation to any part of the housing loan to which a fixed rate applies) to offset the balance of that account against the balance of another account within the Mortgage Loan. Please also refer to the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Interest Offset Arrangements*".

The various features and options available to Basic Home Loans and Offset Home Loans are described below.

Special features of the Mortgage Loans

Interest Rate Types

The Mortgage Loans can have either a variable interest rate or a fixed interest rate, and may, at the Bank's discretion, be converted from a fixed interest rate to a variable interest rate or vice versa following a request from the Borrower.

Variable interest rates may be varied at the discretion of the Bank, as applicable.

Fixed rate Mortgage Loans may be fixed for a specified period. At the end of the fixed rate period the rate will convert to a variable rate unless the Bank consents at the request of the Borrower to refix for a further specified period. Currently, fixed rate terms of up to five years are allowed.

Interest on all Mortgage Loans is calculated on the outstanding principal balance of the Mortgage Loan on a daily basis and is capitalised to the Mortgage Loan account balance at least once a month.

Amortisation Types

Amortising "Principal and Interest" Mortgage Loans

These are Mortgage Loans where the scheduled balance of the loan amortises over the contractual term of the loan. The interest rate under such Mortgage Loans may be a variable or a fixed rate, the features of which are described above.

"Interest Only" Mortgage Loans converting to Amortising "Principal and Interest" Mortgage Loans

These are "interest only" Mortgage Loans converting to amortising "principal and interest" Mortgage Loans after a specified date. Under these Mortgage Loans, the scheduled balance of the Mortgage Loan remains constant during an initial period of up to five years (which can be extended for a further period of up to five years) at any time during the first 10 years of the Mortgage Loan subject to certain conditions including that the remaining term of the Mortgage Loan is 20 years or more when the interest only period expires. The scheduled balance of the Mortgage Loan then amortises in full over the remaining contractual term of the loan. The interest rate under such Mortgage Loans may be a variable or a fixed rate, the features of which are described above.

"Multi Credit" or "Split Loan" Mortgage Loans

These are Mortgage Loan facilities which enable the loan to be divided into two or more portions. These portions may comprise any of the interest rate and amortisation characteristics described in the preceding section.

Substitution of Security

Borrowers may request the Bank to substitute or release a property securing a Mortgage Loan. That request may be accepted or rejected in the Bank's sole discretion.

The Bank will only consider approving such a request if each of the following conditions are satisfied in regards to the substitute security property (where applicable):

- a satisfactory valuation is obtained;
- the Borrower pays all costs relating to the substitution or release of property; and
- it complies in all other respects with the requirements of the Bank's credit policy.

Further Advances and Partial Loan Drawdowns

The relevant Seller, the Bank and/or MSL are solely responsible for funding (whether directly or indirectly) the advance to a Borrower of all further drawings, if any, in respect of Mortgage Loans forming part of the Assets of the Trust.

Early Repayment

Borrowers may discharge their Mortgage Loan early upon the repayment of all principal, accrued interest and other amounts due under the Mortgage Loan. Break costs may be payable by Borrowers under fixed rate housing loans, on full and partial prepayments. Fixed rate Mortgage Loans currently allow for early repayment by the Borrower of up to A$10,000 per account, which can be made each year without penalty (additional payments above this amount may incur break costs). The 12-month period is calculated from the date the fixed term commenced.

Discounted Interest Rates

Most Mortgage Loans have a fixed percentage discount to the standard variable rate.

Additional Features and New Product Types

The Bank and/or the Servicer may from time to time offer additional features in relation to a Mortgage Loan which are not described in the preceding sections, or may cease to offer features that have been previously offered, and may add, remove or vary any fees or other conditions applicable to such features.

From time to time the Bank and/or the Servicer may also introduce new Mortgage Loan products and product variations. New Mortgage Loan products and product variations developed in the future will only be made available to existing Borrowers under Mortgage Loans in the Trust on arm's length commercial terms.

Servicing of the Mortgage Loans

The Servicer is responsible for servicing of the Mortgage Loans forming part of the Assets of the Trust. Subject to policy guidelines and ongoing monitoring, the Servicer has discretion to delegate certain loan management and servicing functions, such as data entry and call centre functions.

Management arrangements in relation to Mortgage Loans are regularly reviewed by the Servicer. Changes may be made to those management arrangements and the delegation of certain management arrangements at any time as a result of these reviews.

Collection and Enforcement Procedures

Pursuant to the terms and conditions of the Mortgage Loans, Borrowers must make the minimum repayments on or before each repayment due date. The Servicer credits repayments to a Borrower's Mortgage Loan on the date of its receipt. All payments of principal and interest under Mortgage Loans are to be made directly into the prescribed bank collection account.

The Servicer will make reasonable efforts to collect all payments required to be made under the Mortgage Loans and any applicable credit enhancement. It will also follow collection procedures that are consistent with the procedures the Servicer and/or the Sellers (as applicable) follow for their respective residential mortgage loans. The Servicer will also utilise or consider any hardship relief which is designed to assist Borrowers in repayment difficulties. Where the Servicer has provided relief on hardship grounds, this may result in arrears being capitalised to the loan balance.

After a financial default by a Borrower, the Servicer and the Covered Bond Guarantor may agree to exercise the Covered Bond Guarantor’s or the MBL Seller’s rights under the loan contract and security contracts to commence legal proceedings, including enforcement by way of mortgagee sale. State or territory laws and regulations, including National Consumer Credit Protection Laws with respect to matters such as hardship and notice requirements, govern a mortgagee’s ability to exercise its power of sale on the mortgage property. In addition, there may be factors outside the control of the mortgagee such as whether the mortgagor contests the sale, whether the mortgagor has applied to vary the terms of its mortgage on the grounds of hardship and the market conditions at the time of sale. These issues may affect the length of time between the decision of the mortgagee to exercise its power of sale and final completion of the sale.

DESCRIPTION OF THE COVERED BONDS PROVISIONS OF THE AUSTRALIAN BANKING ACT

The Banking Amendment (Covered Bonds) Act 2011 (Cth) (the **Amendment Act**) came into force on 17 October 2011 and amended the Australian Banking Act to specifically facilitate the issuance of covered bonds by Australian authorised deposit-taking institutions (**ADIs**). The Amendment Act sets out a detailed regulatory framework for the issuance of covered bonds (the **Covered Bonds Provisions**). At the date of this Prospectus, there are no regulations in support of the Covered Bonds Provisions. On 13 June 2019, APRA issued an updated final prudential standard (Prudential Standard APS 121 Covered Bonds) which sets out the prudential requirements that apply to ADIs that issue covered bonds in accordance with the Covered Bonds Provisions. On 25 October 2022, APRA released minor consequential amendments arising from the ADI capital reforms to 11 prudential standards, including APS 121. The amended APS 121 became effective on 1 January 2023. The key requirements of this Prudential Standard are that an authorised deposit-taking institution must adopt policies and procedures to manage risks relating to its issuance of covered bonds, and apply an appropriate capital treatment to exposures associated with covered bond issuance.

Eligible issuers

The Australian Banking Act allows for ADIs that are regulated by APRA to issue covered bonds subject to compliance with the requirements of the Australian Banking Act. Any such covered bonds must be secured by assets beneficially owned by a covered bond special purpose vehicle. The Covered Bond Guarantor is a "covered bond special purpose vehicle" for the purposes of the Australian Banking Act.

Cap on issuance

Under the Australian Banking Act, an ADI is precluded from issuing covered bonds if, at the time of issuance, the value of the assets in all cover pools maintained by the ADI exceeds 8 per cent. (or such other percentage prescribed by regulation for the purposes of section 28 of the Australian Banking Act) of the value of the ADI's assets in Australia at that time.

Eligible assets

The Australian Banking Act provides that the cover pool for covered bonds consists of the assets beneficially owned by the covered bond special purpose vehicle to the extent that they secure the liabilities to the covered bondholders equally or in priority to any other liabilities. It also sets out the assets eligible for inclusion in a cover pool held by the covered bond special purpose vehicle for the purposes of securing covered bonds issued by an ADI. Accordingly, the assets in a cover pool must be one of the following:

(a) at call deposits held with an ADI and convertible into cash within two business days;

(b) bank accepted bills or certificates of deposit not issued by the Issuer that are eligible for repurchase transactions with the RBA and mature within 100 days;

(c) government debt instruments issued or guaranteed by the Commonwealth, a State or a Territory;

(d) residential mortgage loans;

(e) commercial mortgage loans;

(f) mortgage insurance policies or other assets related to a loan referred to in paragraphs (d) and (e) above;

(g) a contractual right relating to the holding or management of another asset in a cover pool;

(h) certain types of derivatives; and

(i) any other asset prescribed from time to time by regulation for the purposes of section 31(1)(i) of the Australian Banking Act.

The value of assets in the cover pool which are bank accepted bills or certificates of deposit as described in paragraph (b) above must not exceed 15 per cent. of the face value of the covered bonds. There is currently no such limit prescribed in relation to the other types of assets set out above.

Further, the cover pool must not contain an asset of a kind prescribed by regulation for the purposes of section 31(3) of the Australian Banking Act. There are currently no such assets prescribed by regulation.

The Covered Bonds Provisions expressly provide that a statutory manager or an external administrator of the issuing ADI has no powers in relation to the assets in the cover pool apart from the contractual powers that the issuing ADI may have and the contractual obligations of the issuing ADI in relation to the assets.

Any Swap Collateral Excluded Amount will not form part of the cover pool and will be paid to the relevant Swap Provider directly and not via the Priorities of Payment.

APRA's powers under the Australian Banking Act

In addition to the powers that APRA had in relation to an ADI under the Australian Banking Act prior to the enactment of the Covered Bonds Provisions, the Amendment Act has given APRA specific powers relating to covered bond issuances. Those powers include the following:

(a) *No issue:* APRA has the power to direct an issuing ADI not to issue covered bonds where APRA gives a direction under section 11CA of the Australian Banking Act or in circumstances where APRA has reason to believe that the ADI has contravened the Covered Bonds Provisions, the Australian Banking Act, a prudential requirement regulation or a prudential standard relating to covered bonds.

(b) *No top-up:* APRA has the power to direct the issuing ADI, in certain circumstances, not to transfer any asset to the covered bond special purpose vehicle. The relevant circumstances in which APRA may exercise such a power include, amongst other circumstances, where APRA has reason to believe that the issuing ADI has or is likely to contravene the Covered Bonds Provisions, the Australian Banking Act, a prudential requirement regulation or a prudential standard relating to covered bonds; the issuing ADI is unable to meet its liabilities; there has been a material deterioration in the issuing ADI's financial condition; the issuing ADI is conducting its affairs in an improper or financially unsound way; the failure to issue a direction would materially prejudice the interests of the issuing ADI's depositors or the issuing ADI is conducting its affairs in a way that may cause or promote instability of the Australian financial system.

Further, APRA also has the power to direct a covered bond special purpose vehicle in certain circumstances to return assets to the issuing ADI which do not secure covered bond liabilities. A covered bond liability does not include a liability to the issuing ADI (other than a liability in respect of derivatives and for the provision of services) which is secured in priority to any liability to covered bondholders. However, as described under "Eligible assets", to the extent that assets secure the covered bond liabilities of the issuing ADI, the Covered Bonds Provisions expressly provide that a statutory manager or an external administrator of the issuing ADI has no powers in relation to those assets.

For a more detailed description of APRA's powers and the potential consequences for the Programme, see the section "*Risk Factors - APRA's powers under the Australian Banking Act*" in this Prospectus.

Maintenance of the cover pool

The Covered Bonds Provisions require the issuing ADI to maintain the value of the cover pool at an amount which is no less than a specified minimum. The issuing ADI must ensure that the value of the assets in the cover pool is at least 103 per cent. of the face value of the outstanding covered bonds. For the purpose of calculating the value of the assets in the cover pool, the Australian Banking Act imposes a maximum loan to value ratio of no greater than 80 per cent. in respect of loans secured by a mortgage over residential property and a maximum loan to value ratio of no greater than 60 per cent. in respect of loans secured by a mortgage over commercial property, in each case, taking into account any prior or equal ranking loans secured by that property.

The Australian Banking Act does not specify a maximum level of over-collateralisation which affords ADIs the flexibility to determine the appropriate level of over-collateralisation. However APRA has the power to prevent an ADI from maintaining the cover pool in particular circumstances, such as where the ADI is facing financial difficulty. See the section "*APRA's powers under the Australian Banking Act*" above.

Cover Pool Monitor

The Covered Bonds Provisions require a cover pool monitor to be appointed in respect of the cover pool securing the covered bonds issued by an ADI. The cover pool monitor must be an auditor registered under the Australian Corporations Act or the holder of an AFSL covering the provision of financial services as a cover pool monitor or be exempt from holding such an AFSL. The issuing ADI or an associated entity (as defined in the Australian Corporations Act) of the issuing ADI is not permitted to be the cover pool monitor.

The functions of the cover pool monitor include, amongst others, to:

(a) assess the maintenance of an accurate register by the ADI or the covered bond special purpose vehicle of the assets in the cover pool at least every six months;

(b) assess the Issuer's compliance with sections 31 and 31A of the Australian Banking Act;

(c) provide reports relating to the cover pool to APRA on written request by APRA; and

(d) other functions prescribed by regulation for the purposes of section 30 of the Australian Banking Act.

BOOK ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Covered Bond Guarantor nor any other party to the Principal Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Covered Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-entry systems

Clearing and settlement in Australia

Upon the issuance of an A$ Registered Covered Bond, the Issuer will (unless otherwise agreed with the Covered Bondholder including by specification of such in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)) procure that the A$ Registered Covered Bond is entered into Austraclear. Upon entry, Austraclear will become the sole registered holder (Registered Holder) of the A$ Registered Covered Bond.

Members of Austraclear (Accountholders) may acquire rights against the Registered Holder in relation to an A$ Registered Covered Bond entered in Austraclear. If potential investors are not Accountholders, they may hold their interest in the relevant A$ Registered Covered Bond through a nominee who is an Accountholder. All payments in respect of A$ Registered Covered Bonds entered in Austraclear will be made directly to an account of the Registered Holder or as it directs in accordance with the Austraclear Regulations.

Secondary market transfers

Secondary market transfers of A$ Registered Covered Bonds held in Austraclear will be conducted in accordance with the Austraclear Regulations.

Relationship of Accountholders with the Registered Holder

Each of the persons shown in the records of Austraclear as having an interest in an A$ Registered Covered Bond issued by the Issuer must look solely to Austraclear Ltd for such person's share of each payment made to the Registered Holder in respect of that A$ Registered Covered Bond and to any other rights arising under that A$ Registered Covered Bond, subject to and in accordance with the Austraclear Regulations. Unless and until such A$ Registered Covered Bonds are uplifted from Austraclear and registered in the name of an Accountholder, such person has no claim directly against the Issuer or the Covered Bond Guarantor in respect of payments by the Issuer or the Covered Bond Guarantor and such obligations of the Issuer or the Covered Bond Guarantor will be discharged by payment to the Registered Holder (or as it directs) in respect of each amount so paid. Where a Covered Bondholder is registered as the holder of Covered Bonds that are lodged in Austraclear, the Covered Bondholder may, in its absolute discretion, instruct the A$ Registrar to transfer the A$ Registered Covered Bonds to the person in whose Security Record (as defined in the Austraclear Regulations) those A$ Registered Covered Bonds are recorded without any consent or action of such transferee and, as a consequence, remove those A$ Registered Covered Bonds from Austraclear.

Austraclear and Cross-Trading with Euroclear and Clearstream, Luxembourg

Subject to the rules of the relevant clearing and settlement system, Covered Bondholders may elect to hold interests in A$ Registered Covered Bonds (i) directly through the Austraclear System, (ii) indirectly through Euroclear or Clearstream, Luxembourg if they are participants in such systems or (iii) indirectly through organisations which are participants in Austraclear, Euroclear or Clearstream Luxembourg. The Issuer has been advised that Euroclear and Clearstream, Luxembourg will hold interests on behalf of their participants through their respective Australian nominees (being HSBC Custody Nominees (Australia) Limited as nominee of Euroclear or J.P. Morgan Nominees Australia Limited as nominee for JPMorgan Chase Bank, N.A. (Sydney Branch) as custodian for Clearstream, Luxembourg). The rights of a holder of interests in A$ Registered Covered Bonds held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements between

Euroclear and Clearstream, Luxembourg and their respective nominee and the Austraclear Regulations. Participants in any of such systems should contact the relevant clearing system(s) if they have any questions in relation to clearing, settlement and cross-market transfers and/or trading.

DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing for securities that its participants (**Direct Participants**) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerised book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant either directly or indirectly (**Indirect Participants**). The DTC Rules applicable to its Direct or Indirect Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of DTC Covered Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Covered Bonds on DTC's records. The ownership interest of each actual purchaser of each DTC Covered Bond (**Beneficial Owner**) is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Covered Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Covered Bonds, except in the event that use of the book-entry system for the DTC Covered Bonds is discontinued.

To facilitate subsequent transfers, all DTC Covered Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorised representative of DTC. The deposit of DTC Covered Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Covered Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Covered Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Each issue of DTC Covered Bonds shall be represented by a Rule 144A Global Covered Bond and/or a Regulation S Global Covered Bond, each in the aggregate principal amount of such issue sold in reliance on Rule 144A or Regulation S, as the case may be, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds U.S.$500 million, one Rule 144A Global Covered Bond and/or one Regulation S Global Covered Bond will be issued with respect to each U.S.$500 million of principal amount, and an additional Rule 144A Global Covered Bond or Regulation S Global Covered Bond, as applicable, will be issued with respect to any remaining principal amount of such Covered Bonds issued in reliance on Rule 144A or Regulation S, as applicable.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Covered Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Covered Bonds unless authorised by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an omnibus proxy (**Omnibus Proxy**) to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Covered Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal and interest payments on the DTC Covered Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or its paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct or Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Direct or Indirect Participant and not of DTC or its nominee, the Issuer or its paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorised representative of DTC) is the responsibility of the Issuer or its paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Under certain circumstances, DTC will exchange the DTC Covered Bonds for Registered Definitive Covered Bonds, which it will distribute to its Direct Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Covered Bond, will be legended as set forth under the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus.

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Beneficial Owner desiring to pledge DTC Covered Bonds to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Covered Bonds, will be required to withdraw its Registered Covered Bonds from DTC.

DTC may discontinue providing its services as depository with respect to the DTC Covered Bonds at any time by giving reasonable notice to the Issuer or an Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Covered Bond certificates will be printed and delivered to DTC.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-entry ownership of and payments in respect of DTC Covered Bonds

The Issuer may apply to DTC in order to have any Tranche of Covered Bonds represented by a Registered Global Covered Bond accepted in its book-entry settlement system. Upon the issue of any such Registered Global Covered Bond, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Covered Bond to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the Relevant Dealer. Ownership of beneficial interests in such a Registered Global Covered Bond will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Covered Bond, the respective depositaries of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a

Registered Global Covered Bond accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

It should be noted that DTC will only process payments of principal and interest in U.S. dollars. Payments in U.S. dollars of principal and interest in respect of a Registered Global Covered Bond accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Registered Global Covered Bond. In the case of any payment in a currency other than U.S. dollars in respect of a Registered Global Covered Bond accepted by DTC, payment will be made to the Exchange Agent and the Exchange Agent will (in accordance with express written instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Covered Bond in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Direct Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Direct or Indirect Participants to beneficial owners of Covered Bonds will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Direct or Indirect Participant and not the responsibility of DTC, the Bond Trustee, the Security Trustee, the Agents or the Issuer. Payment of principal, premium, if any, and interest, if any, on Covered Bonds to DTC is the responsibility of the Issuer.

Transfers of Covered Bonds represented by Registered Global Covered Bonds

Transfers of any interests in Covered Bonds represented by a Registered Global Covered Bond within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States may require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Covered Bonds represented by a Registered Global Covered Bond to such persons may depend upon the ability to exchange such Covered Bonds for Covered Bonds in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Covered Bonds represented by a Registered Global Covered Bond accepted by DTC to pledge such Covered Bonds to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Covered Bonds may depend upon the ability to exchange such Covered Bonds for Covered Bonds in definitive form. The ability of any holder of Covered Bonds represented by a Registered Global Covered Bond accepted by DTC to resell, pledge or otherwise transfer such Covered Bonds may be impaired if the proposed transferee of such Covered Bonds is not eligible to hold such Covered Bonds through a Direct or Indirect Participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Covered Bonds described under the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus, cross-market transfers between DTC, on the one hand, and directly or indirectly between accountholders in Euroclear and Clearstream, Luxembourg, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the U.S. Registrar, the U.S. Paying Agent and any custodian (**Custodian**) with whom the relevant Registered Global Covered Bonds have been deposited.

On or after the Issue Date for any Covered Bond, transfers of Covered Bonds of such Series between accountholders in Euroclear and Clearstream, Luxembourg and transfers of Covered Bonds of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream, Luxembourg and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, Luxembourg, on the other, transfers of interests in the relevant Registered Global Covered Bonds will be effected through the U.S. Registrar, the U.S. Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The Covered Bonds will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Euroclear and Clearstream, Luxembourg have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Covered Bonds among participants and accountholders of DTC, Euroclear and Clearstream, Luxembourg. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Bond Trustee, the Security Trustee, the Issuer, the Covered Bond Guarantor, the Agents or any Dealer will be responsible for any performance by DTC, Euroclear or Clearstream, Luxembourg, or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Covered Bonds represented by Registered Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAX CONSIDERATIONS

AUSTRALIAN TAXATION

The following taxation summary is of a general nature only and addresses only some of the key Australian tax implications that may arise for a prospective Covered Bondholder as a result of acquiring, holding or transferring a Covered Bond. The following is not intended to be and should not be taken as a comprehensive taxation summary for a prospective Covered Bondholder.

*The taxation summary is based on the Australian taxation laws in force and the administrative practices of the Australian Taxation Office (the **ATO**) generally accepted as at the date of this Prospectus. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated and may have retroactive effect.*

Prospective Covered Bondholders should also be aware that particular terms of issue of any Series or Tranche of Covered Bonds may affect the tax treatment of that and other Series or Tranches of Covered Bonds. Covered Bondholders should consult their professional advisers in relation to their tax position. Covered Bondholders who may be liable to taxation in jurisdictions other than Australia in respect of their acquisition, holding or disposal of Covered Bonds are particularly advised to consult their professional advisers as to whether they are so liable (and, if so, under the laws of which jurisdictions), since the following comments relate only to certain Australian taxation aspects of the Covered Bonds. In particular, Covered Bondholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Covered Bonds even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Australia.

Taxation of interest on Covered Bonds

Australian Covered Bondholders

Covered Bondholders who are Australian tax residents or who are non-residents that hold the Covered Bonds in carrying on business at or through a permanent establishment in Australia will be taxable by assessment in respect of any interest income derived in respect of the Covered Bonds. Such Covered Bondholders will generally be required to lodge an Australian income tax return. The timing of assessment of the interest (e.g. a cash receipts or accruals basis) will depend upon the tax status of the particular Covered Bondholder, the Conditions of the Covered Bonds and the potential application of the "Taxation of Financial Arrangements" provisions of the Tax Act.

Tax at the current rate of 47 per cent. may be deducted from payments to such a Covered Bondholder if the Covered Bondholder does not provide a tax file number (**TFN**) or an Australian Business Number (**ABN**) (in certain circumstances), or proof of a relevant exemption from quoting such numbers.

Section 126 of the Tax Act imposes a type of withholding tax at the rate of 45 per cent. on the payment of interest on Bearer Covered Bonds, if the Issuer fails to disclose the names and addresses of the relevant Covered Bondholders to the ATO (or in the case of a Bearer Covered Bond held by a clearing house, the name and address of the clearing house). These rules generally only apply to Covered Bondholders who are Australian tax residents or non-residents that hold the Covered Bonds in carrying on business at or through a permanent establishment in Australia.

Offshore Covered Bondholders

Interest (which for the purposes of withholding tax is defined in section 128A(1AB) of the Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts, including premiums on redemption or for a Covered Bond issued at a discount, the difference between the amount repaid and the issue price) on debentures and certain other debt interests will be subject to interest withholding tax at a current rate of 10 per cent., where the interest is paid to a non-resident of Australia and not derived in carrying on business at or through an Australian permanent establishment, or to an Australian resident who derived the interest in carrying on business at or through a permanent establishment outside Australia. Australian interest withholding tax does not apply to interest incurred by the Issuer through a branch outside Australia.

Depending on their terms, Covered Bonds could in some cases be characterised as equity interests for tax purposes and be subject to different rules (e.g. Covered Bonds with returns contingent on the Issuer's performance or discretion, or convertible into shares in the Issuer). The Issuer does not intend to issue any Covered Bonds that would be characterised as equity interests for tax purposes.

Various exemptions are available from interest withholding tax, including the "public offer" exemption, tax treaty exemption, and pension fund exemption (each discussed further below).

Public offer exemption

An exemption from Australian interest withholding tax will be available under section 128F of the Tax Act in respect of any Covered Bonds if the Issuer remains an Australian resident company both at the time it issues the relevant Series or Tranche of Covered Bonds and at the time interest is paid in respect of the Covered Bonds, and the Series or Tranche of Covered Bonds is issued in a manner which satisfies the "public offer test".

There are five principal methods of satisfying the public offer test, being broadly:

(a) offers to 10 or more unrelated financial institutions or securities dealers or entities that carry on the business of investing in securities;

(b) offers to 100 or more potential investors of certain types;

(c) offers of listed Covered Bonds;

(d) offers via publicly available electronic or other information sources; and

(e) offers to a dealer, manager or underwriter who offers to sell those Covered Bonds within 30 days by one of the preceding methods.

The public offer test will not be satisfied in respect of an issue of a Series or Tranche of Covered Bonds if, at the time of issue, the Issuer knew, or had reasonable grounds to suspect, that any of the Covered Bonds, or an interest in any of the Covered Bonds, would be acquired either directly or indirectly by an Offshore Associate (as defined below) of the Issuer, other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Covered Bonds, or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme.

Accordingly, the Covered Bonds should not be acquired by any Offshore Associate of the Issuer, subject to the exceptions referred to above.

Even if the public offer test is initially satisfied in respect of a Series or Tranche of Covered Bonds, if such Covered Bonds later come to be held by an Offshore Associate of the Issuer, and at the time of payment of interest on those Covered Bonds, the Issuer knows or has reasonable grounds to suspect that such person is an Offshore Associate of the Issuer, the exemption under section 128F does not apply to interest paid by the Issuer to such Offshore Associate in respect of those Covered Bonds, unless the Offshore Associate receives the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

For the purposes of this section, an **Offshore Associate** is an "associate" of the Issuer as defined in section 128F(9) of the Tax Act who is:

(a) a non-resident of Australia that does not acquire the Covered Bonds or an interest in the Covered Bonds in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or

(b) a resident of Australia that acquires the Covered Bonds or an interest in the Covered Bonds in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country.

The definition of **associate** includes, among other things, persons who have a majority voting interest in the Issuer, or who are able to influence or control the Issuer, and persons in whom the Issuer has a majority voting interest, or whom the Issuer is able to influence or control (however this is not a complete statement of the definition).

Unless otherwise specified in any applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) (or another relevant supplement to this Prospectus), the Issuer intends to issue the Covered Bonds in a manner which will satisfy the requirements of section 128F of the Tax Act.

Tax treaty exemption

Various Australian double tax conventions, including those with the United States of America, the United Kingdom, the Republic of France, Germany, Switzerland, Norway, Iceland, Finland, Japan, New Zealand and the Republic of South Africa (each a **Specified Country**), include exemptions from interest withholding tax for interest derived by:

(a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and

(b) certain unrelated banks, and financial institutions which substantially derive their profits by carrying on a business of raising and providing finance, which are resident in the Specified Country, and which are dealing wholly independently with the Issuer (interest paid under a back-to-back loan or economically equivalent arrangement will not qualify for this exemption).

The availability of relief under Australia's double tax conventions may be limited by Australia's adoption of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting in circumstances where a Covered Bondholder has an insufficient connection with the relevant jurisdiction. Prospective Covered Bondholders should obtain their own independent tax advice as to whether any of the exemptions under the relevant double tax conventions may apply to their particular circumstances.

Pension fund exemption

An exemption is available in respect of interest paid to a non-resident superannuation fund where that fund is a superannuation fund maintained only for foreign residents and the interest arising from the Covered Bonds is exempt from income tax in the country in which such superannuation fund is resident. However, this exemption may not apply if the fund has either (i) an ownership interest (direct and indirect) of 10 per cent. or more, or (ii) influence over the Issuer's key decision making.

Payment of additional amounts

As set out in more detail in the Conditions, if the Issuer is at any time required by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia (or for Covered Bonds issued through a branch outside Australia, the jurisdiction where the branch is located) in respect of the Covered Bonds, the Issuer must, subject to certain exceptions (as set out in Condition 7), pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those Covered Bonds after such deduction or withholding are equal to the respective amounts which would have been received had no such deduction or withholding been required. No additional amounts are payable in relation to any payment in respect of the Covered Bonds to, or to a third party on behalf of, a holder of the Covered Bond who is liable for the taxes in respect of the Covered Bond by reason of the Covered Bondholder being an "associate" of the Issuer for the purposes of Section 128F(9) of the Australian Tax Act. If there is a change in law or regulation as set out in Condition 5.2, requiring the Issuer to pay such additional amounts in relation to any Covered Bonds, the Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than 31 nor more than 60 days' notice in accordance with Condition 12 (see further Condition 5.2).

Taxation of gains on disposal or redemption

Australian Covered Bondholders

Covered Bondholders who are Australian tax residents, or who are non-residents that hold the Covered Bonds in carrying on business at or through a permanent establishment in Australia, will be required to include any gain on disposal or redemption of the Covered Bonds in their assessable income and may be able to deduct any loss on disposal or redemption of the Covered Bonds depending on their personal circumstances.

The determination of the amount and timing of any gain or loss on disposition or redemption of the Covered Bonds may be affected by the "Taxation of Financial Arrangements" provisions of the Tax Act, which provide for a specialised regime for the taxation of financial instruments, and, where the Covered Bonds are denominated in a currency other than Australian Dollars, the foreign currency rules. Prospective Covered Bondholders should

obtain their own independent tax advice in relation to the determination of any gain or loss on disposal or redemption of the Covered Bonds.

Offshore Covered Bondholders

A Covered Bondholder who is a non-resident of Australia and who has never held the Covered Bonds in the course of carrying on a business at or through a permanent establishment in Australia will not be subject to Australian income tax on gains realised on the disposal or redemption of the Covered Bonds, provided such gains do not have an Australian source.

A gain arising on the sale of the Covered Bonds by a non-Australian resident holder to another non-Australian resident where the Covered Bonds are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia, should generally not be regarded as having an Australian source. In certain cases, a non-Australian resident holder may be able to claim an exemption from Australian income tax on Australian sourced gains pursuant to the terms of an applicable double tax convention.

Special rules can apply to treat a portion of the purchase price of the Covered Bonds as interest for withholding tax purposes where certain deferred-return Covered Bonds (for example, Covered Bonds which pay a return that is deferred by more than 12 months) are sold to an Australian Covered Bondholder. Any deemed interest under these rules is able to qualify for an exemption from withholding tax as described above.

Payments by the Covered Bond Guarantor

If the Issuer fails to pay an amount of principal or interest on the Covered Bonds, then the Covered Bond Guarantor may be required to make payments to the holders of Covered Bonds under the Covered Bond Guarantee. Where such payments relate to interest (including premiums on redemption or for a Covered Bond issued at a discount, the difference between the amount repaid and the issue price), it is not clear whether such payments would also be treated as interest for Australian withholding tax purposes. The definition of interest for Australian withholding tax purposes in subsection 128A(1AB) of the Tax Act is very broad and includes amounts in the nature of interest and amounts in substitution for interest.

The ATO's view, as reflected in *Taxation Determination* TD 1999/26, is that such payments under the Covered Bond Guarantee would be interest for Australian withholding tax purposes. Based on this approach, interest withholding tax would be imposed at the rate of 10 per cent. in relation to any payments made by the Covered Bond Guarantor in respect of interest on the Covered Bonds (or other amounts due under the Covered Bonds other than the repayment of amounts subscribed for the Covered Bonds) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption that may apply.

As discussed above, the exemption that is commonly relied upon by Australian debt issuers is the public offer exemption in section 128F of the Tax Act. The ATO states in TD 1999/26 that guarantee payments would be treated as exempt from withholding tax under section 128F of the Tax Act if the requirements of that section are satisfied with respect to the underlying Covered Bonds. If the requirements of section 128F of the Tax Act are satisfied in relation to the Covered Bonds, then such payments by the Covered Bond Guarantor should not be subject to Australian withholding tax.

In the event payments of Guaranteed Amounts by the Covered Bond Guarantor are subject to any withholding or deduction for or on account of tax, the Covered Bond Guarantor will not be required to pay any additional amounts (see further Condition 7).

Stamp duty

No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of the Covered Bonds.

Goods and Services Tax

Neither the issue nor receipt of the Covered Bonds will give rise to a liability for GST in Australia on the basis that the supply of Covered Bonds will comprise either an input taxed financial supply or (in the case of an offshore non-resident subscriber) a GST-free supply. Furthermore, neither the payment of principal nor interest on the Covered Bonds would give rise to a GST liability.

Tax treatment of the Covered Bond Guarantor

The tax treatment of the Covered Bond Guarantor could affect the Covered Bond Guarantor's ability to make payments under the Intercompany Loan, the Demand Loan, the Interest Rate Swaps, the Covered Bond Swaps and, if called upon, the Covered Bond Guarantee.

Income Tax Status of the Covered Bond Guarantor

As the Trust is wholly owned by the Issuer, it will be a member of the Issuer's tax consolidated group, and will be taken to be a part of the head company of that group for most Australian income tax purposes. The primary responsibility for income tax liabilities rests with the head company of a tax consolidated group. As a result, the Covered Bond Guarantor will not be subject to any income tax liability in respect of the income of the Covered Bond Guarantor in the first instance.

All members of the Issuer tax consolidated group, including the Covered Bond Guarantor, can become jointly and severally liable for the tax liabilities of that group where the head company of that group defaults on those tax liabilities. However, where the members of that group have entered into a valid and effective tax sharing agreement covering all of the group's tax liabilities, the liability of each member, including the Covered Bond Guarantor, will be limited to a reasonable allocation of the group's tax liabilities. The Covered Bond Guarantor has acceded to the Issuer tax consolidated group's tax sharing agreement. Under the Issuer tax consolidated group's tax sharing agreement, subject to certain assumptions regarding the operation of the Covered Bond Guarantor, the Covered Bond Guarantor should have a nil allocation of that group's tax liabilities.

It is the opinion of Allen Overy Shearman Sterling that the Issuer tax consolidated group's tax sharing agreement is consistent with the current guidance published by the Australian Commissioner of Taxation in relation to tax sharing agreements. It should be noted however that it is possible that the Commissioner of Taxation could change his current views, and any ultimate determination rests with the Courts. In addition, certain prescribed circumstances can operate to invalidate a tax sharing agreement, however, the Issuer will seek to ensure that no such circumstances occur. Subject to those qualifications, it is the opinion of Allen Overy Shearman Sterling that the Issuer tax consolidated group's tax sharing agreement is valid and effective.

Potential tax reform

The former Australian Government announced proposed changes to update the law regarding the taxation of trusts. The changes enacted to date (which affect managed funds) do not impact the Trust. Depending on the final form of any further legislation, it is possible that the law could be amended in a way that could cause the Covered Bond Guarantor to become subject to a liability in respect of taxes in certain circumstances (or potentially a liability under the Issuer tax consolidated group's tax sharing agreement), however there has been no express statement that such an outcome is intended. In addition, the proposed changes (other than the changed relating to managed funds) have not progressed beyond consultation and could potentially be withdrawn.

GST treatment of Covered Bond Guarantor

Pursuant to the terms of the Bond Trust Deed, the Covered Bond Guarantor has guaranteed payments of interest and principal under the Covered Bonds. The Covered Bond Guarantor has agreed to pay an amount equal to the Guaranteed Amount when the same becomes Due for Payment but which would otherwise be unpaid by the Issuer. In addition, the Covered Bond Guarantor has agreed to pay certain other amounts in accordance with the applicable Priority of Payments.

The supply of some services made to the Covered Bond Guarantor may give rise to a liability for GST on the part of the relevant service provider. The GST position in this regard is covered below. However, where the Covered Bond Guarantor and the relevant service provider is grouped for GST purposes, no GST liability arises and input tax credit entitlements in respect of acquisitions made from outside of the GST group will depend on the supplies and acquisitions of the GST group as a whole.

In relation to the acquisition of taxable services by the Covered Bond Guarantor from a service provider who is not part of the same GST group:

(a) In the ordinary course of business, the service provider would charge the Covered Bond Guarantor an additional amount on account of GST unless the agreed fee is already GST-inclusive.

(b) Assuming that the Covered Bond Guarantor exceeds the financial acquisitions threshold for the purposes of Division 189 of the GST Act, the Covered Bond Guarantor would not be entitled to a full input tax credit from the ATO to the extent that the acquisition relates to the Covered Bond Guarantor's input taxed supplies (including in respect of the Intercompany Loan, the Demand Loan and any Mortgage Loan Rights to be acquired by the Covered Bond Guarantor).

(c) In the case of acquisitions which relate to the making of supplies of the nature described above, the Covered Bond Guarantor may still be entitled to a "reduced input tax credit" in relation to certain acquisitions prescribed in the GST regulations, but only where the Covered Bond Guarantor is the recipient of the taxable supply and the Covered Bond Guarantor either provides, or is liable to provide, the consideration for the taxable supply. As at the date of this Prospectus, the reduced input tax credit for entities that are not "recognised trust schemes" as defined in the GST Law is 75 per cent. of 1/11th of the GST inclusive consideration payable by the Covered Bond Guarantor to the relevant service provider, and for entities that are "recognised trust schemes" as defined in the GST Law, is equal to 55 per cent. of 1/11th of the GST inclusive consideration payable by the Covered Bond Guarantor.

Where services are provided to the Covered Bond Guarantor by an entity comprising an associate of the Covered Bond Guarantor for income tax purposes (but who is not a member of the same GST group), those services are provided for nil or less than market value consideration, and the Covered Bond Guarantor would not be entitled to a full input tax credit, the relevant GST (and any input tax credit) would be calculated by reference to the market value of those services.

In the case of supplies performed outside Australia for the purposes of the Covered Bond Guarantor's business, these may attract a liability for Australian GST if they are supplies of a kind which would have been taxable if they occurred in Australia and if the Covered Bond Guarantor would not have been entitled to a full input tax credit if the supply had been performed in Australia. This is known as the "reverse charge" rule. Where the rule applies, the liability to pay GST to the ATO falls not on the supplier, but on the Covered Bond Guarantor.

Where GST is payable on a taxable supply made to the Covered Bond Guarantor but a full input tax credit is not available, this will mean that less money is available to the Covered Bond Guarantor to make payments in accordance with the applicable Priority of Payments (which would include Guaranteed Amounts).

UNITED KINGDOM TAXATION

*The following applies only to persons who are the beneficial owners of Covered Bonds and is a summary of the Issuer's understanding of current law and published HM Revenue & Customs (**HMRC**) practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of the Covered Bonds. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Covered Bonds. The United Kingdom tax treatment of prospective Covered Bondholders depends on their individual circumstances and may be subject to change in the future. Prospective holders of Covered Bonds should note that the particular terms of issue of any Series of Covered Bonds as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) may affect the tax treatment of that and any other Series of Covered Bonds and should be treated with appropriate caution.*

Any holders of Covered Bonds who are in doubt as to their tax position should consult their professional advisers. Holders of Covered Bonds who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of Covered Bonds are particularly advised to consult their professional advisers as to whether they are so liable (and, if so, under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Covered Bonds. In particular, holders of Covered Bonds should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Covered Bonds even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

Withholding tax on payments of interest by the Issuer in respect of the Covered Bonds (save in respect of A$ Registered Covered Bonds)

Payments of interest by the Issuer in respect of the Covered Bonds (other than Covered Bonds issued by the Issuer's London branch)

Payments of interest on the Covered Bonds by the Issuer that do not have a United Kingdom source may be made without withholding or deduction on account of United Kingdom income tax.

Payments of interest by the Issuer in respect of the Covered Bonds issued by the Issuer's London Branch

The Issuer, provided that it continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the **ITA**), and provided that the interest on the Covered Bonds is paid and continues to be paid in the ordinary course of its business within the meaning of section 878 of the ITA, will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom income tax.

Payments of interest on the Covered Bonds may be made without deduction of or withholding on account of United Kingdom income tax provided that the Covered Bonds carry a right to interest and the Covered Bonds are, and continue to be, listed on a "recognised stock exchange" within the meaning of section 1005 of the ITA. The London Stock Exchange is a recognised stock exchange. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the FSMA) and admitted to trading on the London Stock Exchange. Provided, therefore, that the Covered Bonds carry a right to interest and are, and remain, so listed, interest on the Covered Bonds will be payable without withholding or deduction for or on account of United Kingdom income tax whether or not the Issuer is a bank and whether or not interest is paid in the ordinary course of its business.

Interest on the Covered Bonds may also be paid without withholding or deduction on account of United Kingdom income tax where the maturity of the Covered Bonds is less than 365 days and those Covered Bonds do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the Covered Bonds that have a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent., subject to any other available exemptions or reliefs). From April 2027, provisions in the Finance Act 2026 provide that the rate of withholding will be equal to a new savings basic rate of income tax of 22 per cent.. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Covered Bondholder, HMRC can issue a notice to the Issuer to pay interest to the Covered Bondholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Payments by the Covered Bond Guarantor

The United Kingdom withholding tax treatment of payments by the Covered Bond Guarantor under the terms of the Covered Bond Guarantee which have a United Kingdom source is uncertain. In particular, such payments by the Covered Bond Guarantor may not be eligible for the exemptions described above in relation to payments of interest. Accordingly, if the Covered Bond Guarantor makes any such payments, these may be subject to United Kingdom withholding tax at the basic rate. If payments by the Covered Bond Guarantor are subject to any withholding or deduction for or on account of tax, the Covered Bond Guarantor will not be required to pay any additional amounts.

UNITED STATES TAXATION

The following is a general summary of certain U.S. federal income tax consequences that may be relevant with respect to the purchase, ownership and disposition of the Covered Bonds by an initial holder of a Covered Bond. This summary addresses only the U.S. federal income tax considerations of holders that acquire the Covered Bonds at their original issuance and that will hold the Covered Bonds as capital assets.

This summary does not purport to address all U.S. federal income tax matters that may be relevant to a particular holder of Covered Bonds. This summary does not address tax considerations applicable to U.S. Holders that may be subject to special tax rules including, without limitation, the following: (i) financial institutions; (ii) insurance companies; (iii) dealers or traders in stocks, securities or currencies or notional principal contracts; (iv) regulated investment companies; (v) tax-exempt entities; (vi) persons that will hold the Covered Bonds as part of a "hedging" or "conversion" transaction or as a position in a "straddle" or as a part of a "synthetic security" or other integrated transaction for U.S. federal income tax purposes; (vii) persons that have a "functional currency" other than the U.S. dollar; (viii) real estate investment trusts; (ix) persons that own (or are deemed to own) ten per cent. or more of the voting shares (or interests treated as equity) of the Issuer and (x) partnerships, pass-through entities, or persons that hold Covered Bonds through pass-through entities. Further, this summary does not address alternative minimum or Medicare net investment income tax consequences, the indirect effects on the holders of equity interests in a U.S. Holder or special tax accounting rules as a result of any item of gross income with respect to the Covered Bonds being taken into account on an applicable financial statement.

This summary applies only to holders of Registered Covered Bonds. Bearer Covered Bonds are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Covered Bond may be subject to limitations under the U.S. federal income tax laws, including the limitations provided in Sections 165(j) and 1287 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**).

This summary is based on the Code, U.S. Treasury regulations and judicial and administrative interpretations thereof, in each case as of the date of this Prospectus. All of the foregoing are subject to change, which change could apply retroactively and could affect the tax consequences described below.

For the purposes of this summary, a **U.S. Holder** is a beneficial owner of a Covered Bond that is, for U.S. federal income tax purposes: (i) a citizen or resident of the United States; (ii) a corporation created or organised in or under the laws of the U.S. or any state thereof (including the District of Columbia); (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if (x) a court within the U.S. is able to exercise primary supervision over its administration and (y) one or more U.S. persons have the authority to control all of the substantial decisions of such trust.

A **Non-U.S. Holder** is a beneficial owner of Covered Bonds that is neither a U.S. Holder nor a partnership. If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds Covered Bonds, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisor concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Covered Bonds by the partnership.

Taxation of U.S. Holders

The application of the contingent payment debt instrument (**CPDI**) rules to the Covered Bonds will depend upon the specific terms of the Covered Bonds under the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). Where a Covered Bond is treated as a noncontingent debt instrument (and, thus, not subject to the CPDI rules), the following rules, except for paragraph (f) below, apply.

(a) Payments of Interest

Interest paid on a Covered Bond, other than interest on a "Discount Covered Bond" that is not "qualified stated interest" (each as defined below under "*Original Issue Discount — General*"), will be taxable to a U.S. Holder as ordinary interest income at the time it is received or accrued, depending on the U.S. Holder's method of accounting for U.S. federal income tax purposes.

A U.S. Holder utilising the cash method of accounting for U.S. federal income tax purposes that receives an interest payment denominated in a currency other than U.S. dollars (a **foreign currency**) will be required to include in income the U.S. dollar value of that interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

If interest on a Covered Bond is payable in a foreign currency, an accrual basis U.S. Holder is required to include in income the U.S. dollar value of the amount of interest income accrued on a Covered Bond during the accrual period. An accrual basis U.S. Holder may determine the amount of the interest income to be recognised in accordance with either of two methods. Under the first accrual method, the amount of income accrued will be based on the average spot exchange rate in effect during the interest accrual period or, with respect to an accrual period that spans two taxable years, the part of the period within the taxable year. Under the second accrual method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. If the last day of the accrual period is within five business days of the date the interest payment is actually received, an electing accrual basis U.S. Holder may instead translate that interest at the exchange rate in effect on the day of actual receipt. Any election to use the second accrual method will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder and will be irrevocable without the consent of the U.S. Internal Revenue Service (**IRS**).

A U.S. Holder utilising either of the foregoing two accrual methods will recognise ordinary income or loss with respect to accrued interest income on the date of receipt of the interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Covered Bond). The amount of ordinary income or loss will equal the difference between the U.S. dollar value of the interest

payment received (determined on the date the payment is received or on the date the Covered Bond is disposed of) in respect of the accrual period and the U.S. dollar value of interest income that has accrued during that accrual period (as determined under the accrual method utilised by the U.S. Holder).

Foreign currency received as interest on the Covered Bonds will have a tax basis equal to its U.S. dollar value at the time the interest payment is received. Gain or loss, if any, realised by a U.S. Holder on a sale or other disposition of that foreign currency will be ordinary income or loss and will generally be income from sources within the U.S. for foreign tax credit limitation purposes.

Interest on the Covered Bonds received by a U.S. Holder will be treated as foreign source income for the purposes of calculating that holder's foreign tax credit limitation. The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to each specific class of income. The rules relating to foreign tax credits and timing thereof are complex. U.S. Holders should consult their own tax advisors regarding the availability of a foreign tax credit in their particular situation.

(b) Original Issue Discount

General

A Covered Bond, other than a Covered Bond with a term of one year or less (a **Short-Term Covered Bond**), will be treated as issued at an original issue discount (**OID**, and a Covered Bond issued with OID, a **Discount Covered Bond**) for U.S. federal income tax purposes if the excess of the sum of all payments provided under the Covered Bond, other than "qualified stated interest" payments (as defined below), over the "Issue Price" of the Covered Bond is more than a "de minimis amount" (as defined below). Qualified stated interest is generally interest paid on a Covered Bond that is unconditionally payable at least annually at a single fixed rate. The **Issue Price** of the Covered Bonds under the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) will be the price, generally expressed as a percentage of the nominal amount of the Covered Bonds, at which the Covered Bonds will be issued. Special rules for "Variable Rate Bonds" are described below under "*Original Issue Discount — Variable Rate Bonds*".

In general, if the excess of the sum of all payments provided under the Covered Bond other than qualified stated interest payments (the **Covered Bond's stated redemption price at maturity**) over its Issue Price is less than one quarter of one per cent. of the Covered Bond's stated redemption price at maturity multiplied by the number of complete years to its maturity (the **de minimis amount**), then such excess, if any, constitutes de minimis OID and the Covered Bond is not a Discount Covered Bond. Unless the election described below under "*Original Issue Discount — Election to Treat All Interest as OID*" is made, a U.S. Holder of a Covered Bond with de minimis OID must include such de minimis OID in income as stated principal payments on the Covered Bond are made. The includable amount with respect to each such payment will equal the product of the total amount of the Covered Bond's de minimis OID and a fraction, the numerator of which is the amount of the principal payment made and the denominator of which is the stated principal amount of the Covered Bond.

A U.S. Holder will be required to include OID on a Discount Covered Bond in income for U.S. federal income tax purposes as it accrues calculated on a constant yield method (described below) before the actual receipt of cash attributable to that income, regardless of the U.S. Holder's method of accounting for U.S. federal income tax purposes. Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID over the life of Discount Covered Bonds.

The amount of OID includable in income by a U.S. Holder of a Discount Covered Bond is the sum of the daily portions of OID with respect to the Covered Bond for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds that Covered Bond (**accrued OID**). The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Covered Bond may be of any length selected by the U.S. Holder and may vary in length over the term of the Covered Bond as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Covered Bond occurs on either the final or first day of an accrual period.

The amount of OID allocable to an accrual period equals the excess of (a) the product of the Covered Bond's "adjusted issue price" at the beginning of the accrual period and the Covered Bond's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly

adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Covered Bond allocable to the accrual period. The **adjusted issue price** of a Covered Bond at the beginning of any accrual period is the Issue Price of the Covered Bond increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Covered Bond that were not qualified stated interest payments.

For the purposes of determining the amount of OID allocable to an accrual period, if an interval between payments of qualified stated interest on the Covered Bond contains more than one accrual period, the amount of qualified stated interest payable at the end of the interval (including any qualified stated interest that is payable on the first day of the accrual period immediately following the interval) is allocated pro rata on the basis of relative lengths to each accrual period in the interval, and the adjusted issue price at the beginning of each accrual period in the interval must be increased by the amount of any qualified stated interest that has accrued prior to the first day of the accrual period but that is not payable until the end of the interval.

The amount of OID allocable to an initial short accrual period may be computed using any reasonable method if all other accrual periods other than a final short accrual period are of equal length. The amount of OID allocable to the final accrual period is the difference between (x) the amount payable at the maturity of the Covered Bond (other than any payment of qualified stated interest) and (y) the Covered Bond's adjusted issue price as of the beginning of the final accrual period.

OID for any accrual period on a Covered Bond that is denominated in, or determined by reference to, a foreign currency will be determined in that foreign currency and then translated into U.S. dollars in the same manner as interest payments accrued by an accrual basis U.S. Holder, as described under "Payments of Interest" above. Upon receipt of an amount attributable to OID in these circumstances, a U.S. Holder may recognise ordinary income or loss.

OID on a Discount Covered Bond will be treated as foreign source income for the purposes of calculating a U.S. Holder's foreign tax credit limitation. The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to specific classes of income. The rules relating to foreign tax credits and timing thereof are complex. U.S. Holders should consult their own tax advisors regarding the availability of a foreign tax credit in their particular situation.

Acquisition Premium

A U.S. Holder that purchases a Covered Bond for an amount less than or equal to the sum of all amounts payable on the Covered Bond after the purchase date other than payments of qualified stated interest but in excess of its adjusted issue price (as determined above under "*Original Issue Discount — General*") (any such excess being an **acquisition premium**) and that does not make the election described below under "*Original Issue Discount — Election to Treat All Interest as OID*" will reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Covered Bond immediately after its purchase over the adjusted issue price of the Covered Bond, and the denominator of which is the excess of the sum of all amounts payable on the Covered Bond after the purchase date, other than payments of qualified stated interest, over the Covered Bond's adjusted issue price.

Market Discount

A Covered Bond, other than a Short-Term Covered Bond, will be treated as purchased at a market discount (a **Market Discount Covered Bond**) if the Covered Bond's stated redemption price at maturity or, in the case of a Discount Covered Bond, the Covered Bond's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Covered Bond by at least one quarter of one per cent. of such Covered Bond's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Covered Bond's maturity. If such excess is not sufficient to cause the Covered Bond to be a Market Discount Covered Bond, then such excess constitutes de minimis market discount and such Covered Bond is not subject to the rules discussed in the following paragraphs. For these purposes, the **revised issue price** of a Covered Bond generally equals its Issue Price, increased by the amount of any OID that has accrued on the Covered Bond.

Any gain recognised on the maturity or disposition of a Market Discount Covered Bond will be treated as ordinary income to the extent that such gain does not exceed the accrued market discount on such

Covered Bond. Alternatively, a U.S. Holder of a Market Discount Covered Bond may elect to include market discount in income currently over the life of the Covered Bond. Such an election will apply to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the IRS.

Market discount on a Market Discount Covered Bond will accrue on a straight-line basis unless the U.S. Holder elects to accrue such market discount on a constant yield method. Such an election will apply only to the Covered Bond with respect to which it is made and may not be revoked. A U.S. Holder of a Market Discount Covered Bond that does not elect to include market discount in income currently generally will be required to defer deductions for interest on borrowings allocable to such Covered Bond in an amount not exceeding the accrued market discount on such Covered Bond until the maturity or disposition of such Covered Bond. Such interest is deductible when paid or incurred to the extent of income from the Market Discount Covered Bond for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Market Discount Covered Bond was held by the U.S. Holder.

Election to Treat All Interest as OID

A U.S. Holder may elect to include in gross income all interest that accrues on a Covered Bond using the constant yield method described above under "*Original Issue Discount — General*", with the modifications described below. For the purposes of this election, interest includes stated interest, OID, de minimis OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortisable bond premium or acquisition premium.

In applying the constant yield method to a Covered Bond with respect to which this election has been made, the issue price of the Covered Bond will equal its cost to the electing U.S. Holder, the issue date of the Covered Bond will be the date of its acquisition by the electing U.S. Holder, and no payments on the Covered Bond will be treated as payments of qualified stated interest. This election will generally apply only to the Covered Bond with respect to which it is made and may not be revoked without the consent of the IRS. If this election is made with respect to a Covered Bond with "amortisable bond premium" (as defined below under "Covered Bonds Purchased at a Premium"), then the electing U.S. Holder will be deemed to have elected to apply amortisable bond premium against interest with respect to all debt instruments with amortisable bond premium (other than debt instruments the interest on which is excludible from gross income) held by the electing U.S. Holder as of the beginning of the taxable year in which the Covered Bond with respect to which the election is made is acquired or thereafter acquired. The deemed election with respect to amortisable bond premium may not be revoked without the consent of the IRS.

If the election to apply the constant yield method to all interest on a Covered Bond is made with respect to a Market Discount Covered Bond, the electing U.S. Holder will be treated as having made the election discussed above under "Original Issue Discount —*Market Discount*" to include market discount in income currently over the life of all debt instruments held or thereafter acquired by such U.S. Holder.

Variable Rate Bonds

A **Variable Rate Bond** is a Covered Bond that:

(a) has an Issue Price that does not exceed the total noncontingent principal payments by more than the lesser of (i) the product of (x) the total noncontingent principal payments, (y) the number of complete years to maturity from the issue date and (z) 0.015, or (ii) 15 per cent. of the total noncontingent principal payments; and

(b) does not provide for stated interest other than stated interest compounded or paid at least annually at (i) one or more "qualified floating rates", (ii) a single fixed rate and one or more qualified floating rates, (iii) a single "objective rate" or (iv) a single fixed rate and a single objective rate that is a "qualified inverse floating rate".

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A current value of a rate is the value of the rate on any day that is no

earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

A variable rate is a **qualified floating rate** if (i) variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Covered Bond is denominated or (ii) it is equal to the product of such a rate and either (a) a fixed multiple that is greater than 0.65 but not more than 1.35, or (b) a fixed multiple greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate. If a Covered Bond provides for two or more qualified floating rates that (i) are within 0.25 percentage points of each other on the issue date or (ii) can reasonably be expected to have approximately the same values throughout the term of the Covered Bond, the qualified floating rates together constitute a single qualified floating rate. A rate is not a qualified floating rate, however, if the rate is subject to certain restrictions (including caps, floors, governors, or other similar restrictions) unless such restrictions are fixed throughout the term of the Covered Bond or are not reasonably expected to significantly affect the yield on the Covered Bond.

An **objective rate** is a rate, other than a qualified floating rate, that is determined using a single fixed formula and that is based on objective financial or economic information that is not within the control of or unique to the circumstances of the Issuer or a related party (such as dividends, profits or the value of the Issuer's stock). A variable rate is not an objective rate, however, if it is reasonably expected that the average value of the rate during the first half of the Covered Bond's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Covered Bond's term. An objective rate is a **qualified inverse floating rate** if (i) the rate is equal to a fixed rate minus a qualified floating rate, and (ii) the variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate.

If interest on a Covered Bond is stated at a fixed rate for an initial period of one year or less followed by either a qualified floating rate or an objective rate for a subsequent period and (i) the fixed rate and the qualified floating rate or objective rate have values on the issue date of the Covered Bond that do not differ by more than 0.25 percentage points or (ii) the value of the qualified floating rate or objective rate is intended to approximate the fixed rate, the fixed rate and the qualified floating rate or the objective rate constitute a single qualified floating rate or objective rate.

In general, if a Variable Rate Bond provides for stated interest at a single qualified floating rate or objective rate, all stated interest on the Covered Bond is qualified stated interest and the amount of OID, if any, is determined under the rules applicable to fixed rate debt instruments by using, in the case of a qualified floating rate or qualified inverse floating rate, the value as of the issue date of the qualified floating rate or qualified inverse floating rate, or, in the case of any other objective rate, a fixed rate that reflects the yield reasonably expected for the Covered Bond.

If a Variable Rate Bond does not provide for stated interest at a single qualified floating rate or a single objective rate and also does not provide for interest payable at a fixed rate (other than at a single fixed rate for an initial period), the amount of interest and OID accruals on the Covered Bond are generally determined by (i) determining a fixed rate substitute for each variable rate provided under the Variable Rate Bond (generally, the value of each variable rate as of the issue date or, in the case of an objective rate that is not a qualified inverse floating rate, a rate that reflects the reasonably expected yield on the Covered Bond), (ii) constructing the equivalent fixed rate debt instrument (using the fixed rate substitutes described above), (iii) determining the amount of qualified stated interest and OID with respect to the equivalent fixed rate debt instrument, and (iv) making the appropriate adjustments for actual variable rates during the applicable accrual period.

If a Variable Rate Bond provides for stated interest either at one or more qualified floating rates or at a qualified inverse floating rate, and in addition provides for stated interest at a single fixed rate (other than at a single fixed rate for an initial period), the amount of interest and OID accruals are determined as in the immediately preceding paragraph with the modification that the Variable Rate Bond is treated, for the purposes of the first three steps of the determination, as if it provided for a qualified floating rate (or a qualified inverse floating rate, as the case may be) rather than the fixed rate. The qualified floating rate (or qualified inverse floating rate) replacing the fixed rate must be such that the fair market value of the Variable Rate Bond as of the issue date would be approximately the same as the fair market value of an otherwise identical debt instrument that provides for the qualified floating rate (or qualified inverse floating rate) rather than the fixed rate.

Prospective purchasers should consult their own tax advisors regarding the applicability and consequences of the variable rate debt instrument rules to any of the Covered Bonds issued under the Programme.

Covered Bonds Subject to Redemption

If the Covered Bonds are redeemable at the option of the Issuer prior to their maturity or are repayable at the option of the U.S. Holder prior to their stated maturity, such Covered Bonds may be subject to rules that are different from the general rules discussed above. Investors intending to purchase Covered Bonds with such features should consult their own tax advisors, since the OID consequences will depend, in part, on the particular terms and features of the purchased Covered Bonds.

Short-Term Covered Bonds

Short-Term Covered Bonds will be treated as having been issued with OID. In general, an individual or other cash method U.S. Holder is not required to accrue such OID unless the U.S. Holder elects to do so. If such an election is not made, any gain recognised by the U.S. Holder on the sale, exchange or maturity of the Short-Term Covered Bond will be ordinary income to the extent of the OID accrued on a straight-line basis, or upon election under the constant yield method (based on daily compounding), through the date of sale or maturity, and a portion of the deductions otherwise allowable to the U.S. Holder for interest on borrowings allocable to the Short-Term Covered Bond will be deferred until a corresponding amount of income is realised. U.S. Holders who report income for U.S. federal income tax purposes under the accrual method, and certain other holders including banks and dealers in securities, are required to accrue OID on a Short-Term Covered Bond on a straight-line basis unless an election is made to accrue the original issue discount under a constant yield method (based on daily compounding).

(c) Covered Bonds Purchased at a Premium

A U.S. Holder that purchases a Covered Bond for an amount in excess of its principal amount may elect to treat such excess as **amortisable bond premium**. If such election is made, the amount required to be included in the U.S. Holder's income each year with respect to interest on the Covered Bond will be reduced by the amount of amortisable bond premium allocable (based on the Covered Bond's yield to maturity) to such year. In the case of a Covered Bond that is denominated in, or determined by reference to, a foreign currency, amortisable bond premium will be computed in units of foreign currency, and amortisable bond premium will reduce interest income in units of foreign currency. At the time amortisable bond premium offsets interest income, a U.S. Holder realises exchange gain or loss (taxable as ordinary income or loss) equal to the difference between exchange rates at that time and at the time of the acquisition of the Covered Bonds. Any election to amortise bond premium will apply to all bonds (other than bonds the interest in which is excludible from gross income) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder and is irrevocable without the consent of the IRS.

(d) Base Rate Amendment

The treatment of a replacement of the reference rate on the Floating Rate Covered Bonds with a substitute or successor rate (a **Base Rate Amendment**) for U.S. federal income tax purposes is not entirely clear. It is possible that a replacement of the reference rate on the Floating Rate Covered Bonds with a substitute or successor rate will be treated as a deemed exchange of old covered bonds for new covered bonds. In that event, it is unclear whether such deemed exchange would be taxable to a U.S. Holder. If it was taxable, a U.S. Holder may be required to recognise gain or loss with respect to its affected Floating Rate Covered Bonds.

(e) Sale, Exchange or Retirement of the Covered Bonds

A U.S. Holder's tax basis in a Covered Bond will generally equal its "U.S. dollar cost", increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Covered Bond and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the U.S. Holder's income with respect to the Covered Bond (each as determined above), and reduced by the amount of any payments with respect to the Covered Bond that are not qualified stated interest payments and the amount of any amortisable bond premium applied to reduce interest on the Covered Bond.

A U.S. Holder will generally recognise gain or loss on the sale, exchange or retirement of a Covered Bond equal to the difference between the amount realised on the sale, exchange or retirement and the tax basis of the Covered Bond, in each case as determined in U.S. dollars. U.S. Holders should consult their own tax advisors about how to account for proceeds received on the sale, exchange or retirement of Covered Bonds.

Gain or loss recognised by a U.S. Holder on the sale, exchange or retirement of a Covered Bond that is attributable to changes in currency exchange rates will be ordinary income or loss and will consist of OID exchange gain or loss and principal exchange gain or loss. OID exchange gain or loss will equal the difference between the U.S. dollar value of the amount received on the sale, exchange or retirement of a Covered Bond that is attributable to accrued but unpaid OID as determined by using the exchange rate on the date of the sale, exchange or retirement and the U.S. dollar value of accrued but unpaid OID as determined by the U.S. Holder under the rules described above under "*Original Issue Discount — General*". Principal exchange gain or loss will equal the difference between the U.S. dollar value of the U.S. Holder's purchase price of the Covered Bond in foreign currency determined on the date of the sale, exchange or retirement, and the U.S. dollar value of the U.S. Holder's purchase price of the Covered Bond in foreign currency determined on the date the U.S. Holder acquired the Covered Bond. The foregoing foreign currency gain or loss will be recognised only to the extent of the total gain or loss realised by the U.S. Holder on the sale, exchange or retirement of the Covered Bond, and will generally be treated as from sources within the U.S. for U.S. foreign tax credit limitation purposes.

Any gain or loss recognised by a U.S. Holder in excess of foreign currency gain recognised on the sale, exchange or retirement of a Covered Bond (except for a Short-Term Covered Bond, as discussed above) would generally be U.S. source capital gain or loss (except to the extent such amounts are attributable to market discount, accrued but unpaid interest, or subject to the general rules governing contingent payment obligations). **Prospective investors should consult their own tax advisors with respect to the treatment of capital gains (which may be taxed at lower rates than ordinary income for taxpayers who are individuals, trusts or estates that held the Covered Bonds for more than one year) and capital losses (the deductibility of which is subject to limitations).**

A U.S. Holder will have a tax basis in any foreign currency received on the sale, exchange or retirement of a Covered Bond equal to the U.S. dollar value of the foreign currency at the time of the sale, exchange or retirement. Gain or loss, if any, realised by a U.S. Holder on a sale or other disposition of that foreign currency will be ordinary income or loss and will generally be income from sources within the U.S. for foreign tax credit limitation purposes.

(f) Contingent Payment Debt Instrument

If a Covered Bond is treated as a CPDI, the U.S. Treasury regulations governing the treatment of a CPDI (the **CPDI Regulations**) may cause the timing and character of income, gain or loss reported on a CPDI to substantially differ from the timing and character of income, gain or loss reported on a noncontingent payment debt obligation under general principles of current U.S. federal income tax law. In general, the CPDI Regulations require a U.S. Holder to include future contingent and noncontingent interest payments in income as such interest accrues based upon a projected payment schedule. Moreover, in general, under the CPDI Regulations, any gain recognised by a U.S. Holder on the sale, exchange or retirement of a contingent payment debt instrument will be treated as ordinary income and all or a portion of any loss realised could be treated as ordinary loss as opposed to capital loss (depending upon the circumstances).

Under the noncontingent bond method of the CPDI Regulations, for each accrual period prior to and including the maturity date of the Covered Bond, the amount of interest that accrues, as OID, equals the product of (i) the "adjusted issue price" and (ii) the "comparable yield" (adjusted for the length of the accrual period). This amount is rateably allocated to each day in the accrual period and is includable as ordinary interest income by a U.S. Holder for each day in the accrual period on which the U.S. Holder holds the Covered Bond. The **adjusted issue price** for this purpose is equal to the Covered Bond's Issue Price, increased by the interest previously accrued and decreased by the amount of any non-contingent payment and the projected amount of any contingent payment previously made on the Covered Bond. The **comparable yield** is the annual yield that the issuer would pay, as of the issue date, on a fixed rate debt instrument (non credit linked) with terms equal to that of the Covered Bond. Amounts treated as interest under the foregoing rules are treated as OID for all U.S. federal income tax purposes.

Also under the noncontingent bond method of the CPDI Regulations, the Issuer would be required to determine a schedule (the **Schedule**) of the projected amounts of payments (the **Projected Payments**) on the Covered Bond. The Schedule must produce the comparable yield. If during any taxable year the sum of any actual payments (including the fair market value of any property received in that year) with respect to the Covered Bond for that taxable year (including, in the case of the taxable year which includes the maturity date of the Covered Bond, the amount of cash received at maturity) exceeds the total amount of the Projected Payments for that taxable year, the difference will produce a "net positive adjustment", which will be treated as additional interest for the taxable year. If the actual amount received in a taxable year is less than the amount of the Projected Payments for that taxable year, the difference will produce a "net negative adjustment", which will (i) reduce the U.S. Holder's interest income for that taxable year and (ii) to the extent of any excess after application of (i), give rise to an ordinary loss to the extent of the U.S. Holder's interest income on the Covered Bond during the prior taxable years (reduced to the extent such interest was offset by prior net negative adjustments). As a result of the classification of a Covered Bond as a contingent debt instrument subject to the noncontingent bond method, any gain or loss realised on the sale or exchange of the Covered Bond may be treated as ordinary income or loss, in whole or in part.

Prospective purchasers should consult their own tax advisors regarding the applicability and consequences of the CPDI rules to any of the Covered Bonds issued under the Programme.

Taxation of Non-U.S. Holders

Subject to the discussion below under "*Backup Withholding and Information Reporting*" and "*Foreign Account Tax Compliance Act*", a Non-U.S. Holder generally should not be subject to U.S. federal income or withholding tax on any payments on the Covered Bonds and gain from the sale, redemption or other disposition of the Covered Bonds unless: (i) that payment and/or gain is effectively connected with the conduct by that Non-U.S. Holder of a trade or business in the U.S.; (ii) in the case of any gain realised on the sale or exchange of a Covered Bond by an individual Non-U.S. Holder, that holder is present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met; or (iii) the Non-U.S. Holder is subject to tax pursuant to provisions of the Code applicable to certain expatriates.

Non-U.S. Holders should consult their own tax advisors regarding the U.S. federal income and other tax consequences of owning Covered Bonds.

Further Issuances

The Issuer may, from time to time, without the consent of the Covered Bondholders, create and issue further covered bonds having terms and conditions the same as the Covered Bonds or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Covered Bonds. The Issuer may offer further covered bonds with OID for U.S. federal income tax purposes as part of a further issue. Purchasers of Covered Bonds after the date of any further issue may not be able to differentiate between Covered Bonds sold as part of the further issue and previously issued Covered Bonds. If the Issuer were to issue additional Covered Bonds with OID, purchasers of Covered Bonds after such further issue may be required to accrue OID (or greater amounts of OID than they would have otherwise accrued) with respect to their Covered Bonds. This may affect the price of outstanding Covered Bonds following a further issuance.

Backup Withholding and Information Reporting

Under current U.S. federal income tax law, backup withholding tax and information reporting requirements apply in the case of certain U.S. beneficial owners of a Covered Bond to certain payments of principal of, and interest on, an obligation, and of proceeds of the sale of an obligation before maturity. The Issuer, its agent, a broker, or any paying agent, as the case may be, may be required to withhold tax from any payment that is subject to backup withholding if the U.S. Holder fails to furnish the U.S. Holder's taxpayer identification number (usually on IRS Form W-9), to certify that such U.S. Holder is not subject to backup withholding, or to otherwise comply with the applicable requirements of the backup withholding rules. Certain U.S. Holders are not subject to the backup withholding and information reporting requirements. Non-U.S. Holders may be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder generally may be claimed as a credit against such U.S. Holder's U.S. federal income tax liability provided that the required

information is furnished to the IRS. **U.S. Holders should consult their own tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.**

IRS Disclosure Reporting Requirements

Certain U.S. Treasury regulations relating to Section 6011 of the Code (the **Disclosure Regulations**) meant to require the reporting of certain tax shelter transactions (**Reportable Transactions**) could be interpreted to cover transactions generally not regarded as tax shelters. Under the Disclosure Regulations it may be possible that certain transactions with respect to the Covered Bonds may be characterised as Reportable Transactions requiring a Covered Bondholder who is required to disclose such transaction, such as a sale, exchange, retirement or other taxable disposition of a Covered Bond that results in a loss that exceeds certain thresholds and other specified conditions are met. Prospective investors in the Covered Bonds should consult with their own tax advisors to determine the tax return obligations, if any, with respect to an investment in the Covered Bonds, including any requirement to file IRS Form 8886 (**Reportable Transaction Disclosure Statement**).

Foreign Financial Asset Reporting

Certain U.S. Holders that own "specified foreign financial assets" that meet certain U.S. dollar value thresholds generally are required to file an information report with respect to such assets with their tax returns. The Covered Bonds generally will constitute specified foreign financial assets subject to these reporting requirements unless the Covered Bonds are held in an account at certain financial institutions. U.S. Holders are urged to consult their tax advisors regarding the application of these disclosure requirements to their ownership of the Covered Bonds.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the Code, commonly known as FATCA, a “foreign financial institution” (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Australia) have entered into, or have agreed in substance to, IGAs with the United States to implement FATCA, which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Covered Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Covered Bonds, are uncertain and may be subject to change.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Covered Bonds, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, Additionally, Covered Bonds characterised as debt (or which are not otherwise characterised as equity and have a fixed term) issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer).

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Covered Bonds. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Covered Bonds, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE AND SELLING RESTRICTIONS

The Dealers have agreed pursuant to a programme agreement dated on or about the Programme Date as amended and restated on 5 June 2026 (as the same may be further amended and/or supplemented and/or restated from time to time, the **Regulation S Programme Agreement**) and will agree pursuant to a distribution agreement to be entered into after the Programme Date (as the same may be amended and/or supplemented and/or restated from time to time, the **U.S. Distribution Agreement** and together with the Regulation S Programme Agreement, the **Programme Agreements**), with the Issuer and the Covered Bond Guarantor a basis upon which such Dealers or any of them may from time to time agree to purchase Covered Bonds. Any such agreement for any particular purchase by a Dealer will extend to those matters stated in the sections "*Form of the Covered Bonds*" and "*Terms and Conditions of the Covered Bonds*" in this Prospectus. As at the date of this Prospectus, the Dealers are BNP PARIBAS, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, HSBC Bank plc, HSBC Continental Europe, ING Bank N.V., the Bank, Macquarie Bank Limited (London Branch), Macquarie Bank Europe Designated Activity Company, Natixis and Société Générale but the Issuer may appoint other dealers from time to time in accordance with the relevant Programme Agreement, which appointment may be for a specific issue or on an ongoing basis.

The Issuer may pay the Dealers commissions from time to time in connection with the sale of any Covered Bonds. In each Programme Agreement, the Issuer agrees to reimburse and indemnify the Dealers for certain of their expenses and liabilities in connection with the relevant Programme Agreement. The Dealers are entitled to be released and discharged from their obligations in relation to any agreement to purchase Covered Bonds under the relevant Programme Agreement in certain circumstances prior to payment to the Issuer.

The Dealers may be paid fees in relation to any issue of Covered Bonds under the Programme. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Covered Bonds issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of Macquarie Bank and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, the Dealers and their affiliates are involved in a wide range of financial services and businesses including securities trading and brokerage activities and providing commercial and investment banking, investment management, corporate finance, credit and derivative, trading and research products and services, out of which conflicting interests or duties may arise. In the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Macquarie Bank or Macquarie Bank's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with Macquarie Bank routinely hedge their credit exposure to Macquarie Bank consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Covered Bonds issued under the Programme. Any such positions could adversely affect future trading prices of Covered Bonds issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

General

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will comply with all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver Covered Bonds, and it will not directly or indirectly offer, sell, resell, re-offer or deliver Covered Bonds or distribute this Prospectus, any Final Terms, any Pricing Supplement, circular, advertisement or other offering material relating to the Covered Bonds in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

Neither the Issuer nor any Dealer represents that any Covered Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche of Covered Bonds, the Relevant Dealer will be required to comply with such other restrictions as the Issuer and the Relevant Dealer agree and as will be set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

In addition and unless the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) provide otherwise, each Dealer has agreed that, in connection with the primary distribution of the Covered Bonds, it will not sell Covered Bonds to any person if, at the time of such sale, the employees of the Dealer aware of, or involved in, the sale knew or had reasonable grounds to suspect that, as a result of such sale, any Covered Bonds or an interest in any Covered Bonds were being, or would later be, acquired (directly or indirectly) by an associate of the Bank for the purposes of section 128F(9) of the Tax Act and associated regulations and, where applicable, any replacement legislation, except as permitted by section 128F(5) of the Tax Act.

Except for registration of this Prospectus by the FCA and the London Stock Exchange, no action has been taken in any jurisdiction that would permit a public offering of any of the Covered Bonds, or possession or distribution of this Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Prospectus comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Covered Bonds or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale or delivery by them of any Covered Bonds under the law and regulations in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales or deliveries, in all cases at their own expense, and neither the Issuer nor any Dealer shall have responsibility therefor. In accordance with the above, any Covered Bonds purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Covered Bonds in such jurisdiction.

In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Covered Bonds in the United States of America, the EEA, the UK, Australia, Hong Kong, Japan, New Zealand, Singapore and Taiwan, as set out below.

Transfer Restrictions

As a result of the following restrictions, purchasers of Covered Bonds in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Covered Bonds.

Each purchaser of Registered Covered Bonds or persons wishing to transfer an interest from one Registered Global Covered Bond to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree (and in certain cases, will be deemed to represent and agree) as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used in this paragraph as defined therein):

(i) that either: (a) it is a QIB, purchasing (or holding) the Covered Bonds for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A; or (b) it is outside the United States and is not a U.S. person (within the meaning of Regulation S), is not purchasing (or holding) the Covered Bonds for the account or benefit of a U.S. person and is purchasing in compliance with Regulation S;

(ii) that the Covered Bonds are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act or any applicable U.S. state securities laws and may not be offered, sold or delivered directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons except as set forth in this section;

(iii) that, unless it holds an interest in a Regulation S Global Covered Bond and is a person located outside the United States and is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Covered Bonds or any beneficial interests in the Covered Bonds, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Covered Bonds, only (a) to the Issuer or any affiliate thereof; (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A; (c)

outside the United States in compliance with Rule 903 or Rule 904 of Regulation S under the Securities Act; or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. state securities laws;

(iv) it will, and will require each subsequent holder to, notify any purchaser of the Covered Bonds from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;

(v) that, except as otherwise provided in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), either (a) it is not, and is not purchasing the Covered Bonds (or any interest therein) on behalf of, or with "plan assets" of, any plan or any governmental, church or non-U.S. plan which is subject to any similar laws, or (b) its acquisition, holding and disposition of the Covered Bonds (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in the case of a governmental, church or non-U.S. plan subject to similar laws, a violation of any such similar laws);

(vi) if it is, or is acting on behalf of, a plan, (i) none of the transaction parties or other persons that provide marketing services, or any of their respective affiliates, has provided any investment recommendation or investment advice within the meaning of Section 3(21) of ERISA to the plan, or to any plan fiduciary, in connection with its decision to invest in the Covered Bonds, and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the plan or the plan fiduciary in connection with the plan's acquisition of the Covered Bonds, and (ii) the plan fiduciary is exercising its own independent judgment in evaluating the investment in the Covered Bonds;

(vii) that Covered Bonds initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Covered Bonds and that Covered Bonds initially offered outside the United States to non-U.S. persons in reliance on Regulation S will be represented by one or more Regulation S Global Covered Bonds;

(viii) that the Covered Bonds represented by a Rule 144A Global Covered Bond and Rule 144A Definitive Covered Bonds will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY AND THE COVERED BOND GUARANTEE HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR THE SECURITIES LAWS OR "BLUE SKY" LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A)REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THIS SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT IN ACCORDANCE WITH THE PRINCIPAL AGENCY AGREEMENT IN RESPECT OF THIS SECURITY (THE AGENCY AGREEMENT) AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITY OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING THE SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS AND "BLUE SKY" LAWS OF THE STATES AND OTHER JURISIDCTIONS OF THE UNITED STATES; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR

SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY WILL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH WILL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A.

EXCEPT AS OTHERWISE PROVIDED IN THE APPLICABLE FINAL TERMS (OR, IN THE CASE OF EXEMPT COVERED BONDS, THE APPLICABLE PRICING SUPPLEMENT), BY ITS ACQUISITION AND HOLDING OF THIS COVERED BOND (OR ANY INTEREST HEREIN), EACH PURCHASER AND HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND AGREED, THAT EITHER (1) IT IS NOT, AND IS NOT PURCHASING THIS COVERED BOND ON BEHALF OF, OR WITH "PLAN ASSETS" OF (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (ERISA) AND SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE CODE), (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN (EACH OF THE FOREGOING, A PLAN), OR (D) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (SIMILAR LAW), OR (2) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO SIMILAR LAW, A VIOLATION OF ANY SUCH SIMILAR LAW).

IF THE PURCHASER OR HOLDER OF THIS COVERED BOND (OR ANY INTEREST HEREIN) IS, OR IS ACTING ON BEHALF OF, A PLAN, IT WILL BE FURTHER DEEMED TO HAVE REPRESENTED AND AGREED THAT, (I) NONE OF THE ISSUER, THE SELLER, THE COVERED BOND GUARANTOR, THE ARRANGER, THE SERVICER, THE TRUST MANAGER, THE ORIGINATION MANAGER, THE DEALERS, THE AGENTS, THE BOND TRUSTEE, THE SECURITY TRUSTEE OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE WITHIN THE MEANING OF SECTION 3(21) OF ERISA TO THE PLAN, OR TO ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE PLAN (PLAN FIDUCIARY), IN CONNECTION WITH ITS DECISION TO INVEST IN THIS COVERED BOND, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE PLAN OR THE PLAN FIDUCIARY IN CONNECTION WITH THE PLAN'S ACQUISITION OF THIS COVERED BOND, AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE INVESTMENT IN THIS COVERED BOND.";

(ix) if it is outside the United States and is not a U.S. person (within the meaning of Regulation S), that if it should resell or otherwise transfer the Covered Bonds prior to the expiration of the distribution compliance period (defined as 40 days after the completion of the distribution of the Tranche of Covered Bonds of which such Covered Bonds are a part), it will do so only (a)(i) outside the United States in compliance with Rule 903 or 904 of Regulation S under the Securities Act or (ii) to a QIB in compliance

with Rule 144A and (b) in accordance with all applicable U.S. state securities laws; and it acknowledges that the Regulation S Global Covered Bonds and the Regulation S Definitive Covered Bonds will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY AND THE COVERED BOND GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT IN RESPECT OF THIS SECURITY (THE AGENCY AGREEMENT) AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. IN ACCORDANCE WITH U.S. SECURITIES LAW, UNTIL THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE DISTRIBUTION OF ALL THE SECURITIES THE TRANCHE OF WHICH THIS SECURITY FORMS PART, SALES MAY NOT BE MADE UNLESS MADE (I) OUTSIDE THE UNITED STATES PURSUANT TO RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT OR (II) TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN, AND IN TRANSACTIONS PURSUANT TO, RULE 144A UNDER THE SECURITIES ACT.";

(x) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it will promptly notify the Issuer and if it is acquiring any Covered Bonds as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and

(xi) it agrees that neither the Issuer nor the Covered Bond Guarantor has any obligation to register the Covered Bonds or the Covered Bond Guarantee under the Securities Act.

No sale of Rule 144A Covered Bonds in the United States to any one purchaser will be for less than U.S.$200,000 (or the approximate equivalent in another Specified Currency) principal amount and no Rule 144A Covered Bond will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.$200,000 (or the approximate equivalent in another Specified Currency) principal amount of Registered Covered Bonds.

The Relevant Dealer may arrange for the resale of Covered Bonds to QIBs pursuant to Rule 144A and each such purchaser of Covered Bonds is hereby notified that the Relevant Dealer may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Covered Bonds which may be purchased by a QIB is U.S.$200,000 (or the approximate equivalent in another Specified Currency). To the extent that the Issuer and the Covered Bond Guarantor are not subject to or do not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer and the Covered Bond Guarantor have agreed to furnish to holders of Covered Bonds and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

This Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Covered Bonds outside the United States and for the resale of the Covered Bonds in the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Covered Bonds, in whole or in part, for any reason. This Prospectus does not constitute an offer to any person in the United States or to any U.S. person, other than any QIB within the meaning of Rule 144A to whom an offer has been made directly by one of the Dealers or its U.S. broker-dealer affiliate. Distribution of this Prospectus by any non-U.S. person outside the United States or by any QIB in the United States to any U.S. person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB, is prohibited.

United States

Each Dealer has acknowledged that the Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act and have not been registered or qualified under any securities laws or "Blue Sky" laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or in transactions not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In connection with any Regulation S Covered Bonds, each Dealer has represented, warranted and agreed that neither it nor any of its affiliates has offered and sold Regulation S Covered Bonds, or will offer and sell Regulation S Covered Bonds within the United States or to, or for the account of, U.S. persons (a) as part of its distribution at any time and (b) otherwise until 40 days after the completion of the distribution of the Tranche of Covered Bonds of which such Covered Bonds are a part, and except in either case in accordance with Regulation S under the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Regulation S Covered Bonds during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Covered Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the completion of the offering of a Tranche of Covered Bonds, an offer or sale of any Regulation S Covered Bond within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each Dealer has represented, warranted and agreed that it, its Affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Regulation S Covered Bonds, and it and they have complied and will comply with the offering restrictions requirement of Regulation S with respect to any Regulation S Covered Bonds.

The Regulation S Programme Agreement provides, and the U.S. Distribution Agreement will provide, that selected Dealers, through their selling agents which are registered broker-dealers in the United States, may resell Covered Bonds in the United States to QIBs pursuant to Rule 144A under the Securities Act and each such purchaser of Covered Bonds is hereby notified that the Dealers may be relying on the exemption from the Securities Act provided by Rule 144A.

Each Dealer appointed under the Programme Agreements will be required to represent and agree in respect of transactions under Rule 144A that it has not (and will not), nor has (nor will) any person acting on its behalf, (i) made offers or sales of any security, or solicited officers to buy, or otherwise negotiated in respect of, any security, under circumstances that would require the registration of the Covered Bonds under the Securities Act; or (ii) engaged in any form of general solicitation or general advertising (within the meaning of Rule 502(c) under the Securities Act) in connection with any offer or sale of Covered Bonds in the United States.

In addition in respect of Bearer Covered Bonds where TEFRA D is specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement):

(a) except to the extent permitted under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) (**TEFRA D**), each Dealer has (a) represented, warranted and agreed that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Bearer Covered Bonds to a person who is within the United States or its possessions or to a United States person, and (b) represented, warranted and agreed that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Bearer Covered Bonds that are sold during the restricted period;

(b) each Dealer has represented, warranted and agreed that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Covered Bonds are aware that such Covered Bonds may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by TEFRA D;

(c) if it is a United States person, each Dealer has represented, warranted and agreed that it is acquiring Bearer Covered Bonds for purposes of resale in connection with their original issuance and if it retains Bearer Covered Bonds for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. Section l.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the Code);

(d) with respect to each Affiliate that acquires Bearer Covered Bonds from a Dealer for the purpose of offering or selling such Covered Bonds during the restricted period, such Dealer has (i) repeated and confirmed the representations and agreements contained in paragraphs (a), (b), (c) and (e) on such Affiliate's behalf or (ii) has agreed that it will obtain from such Affiliate, for the benefit of the Issuer, the representations contained in paragraphs (a), (b), (c) and (e); and

(e) each Dealer has represented, warranted and agreed that it will not enter into a written contract (apart from a confirmation or other notice of the transaction) for the offer or sale during the restricted period of Bearer Covered Bonds with any person other than its Affiliate(s) unless it obtains the representations and agreements contained in this paragraph from the person with whom it enters into such written contract.

Terms used in the above paragraph have the meanings given to them by the Code and regulations promulgated thereunder, including TEFRA D.

In respect of Bearer Covered Bonds where TEFRA C is specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), such Bearer Covered Bonds must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented, warranted and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Bearer Covered Bonds within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented, warranted and agreed in connection with the original issuance of such Bearer Covered Bonds that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Bearer Covered Bonds. Terms used in this paragraph have the meanings given to them by the Code and regulations promulgated thereunder, including U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the Code) (**TEFRA C**).

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Prospectus as completed by the applicable Final Terms (or the applicable Pricing Supplement, as the case may be) in relation thereto to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Covered Bonds which are the subject of this Prospectus as completed

by the applicable Final Terms (or the applicable Pricing Supplement, as the case may be) in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression retail investor means a person who is either one (or both) of the following:

(i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to buy or subscribe for the Covered Bonds.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Covered Bonds having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Covered Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Covered Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Covered Bond Guarantor or the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom.

Australia

Neither this Prospectus, nor any other prospectus or disclosure document in respect of the Programme, has been, or will be, lodged with ASIC.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in connection with the distribution of each Tranche of Covered Bonds, it:

(a) will not make (directly or indirectly) any offer or invitation in Australia or offer or invitation which is received in Australia in relation to the issue, sale or purchase of any Covered Bonds; and

(b) has not distributed or published and will not distribute or publish a prospectus, advertisement, disclosure document or other offering material relating to the Covered Bonds in Australia,

unless (i) the aggregate consideration payable by each offeree or invitee is at least AUD500,000 (or its equivalent in other currencies, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Australian Corporations Act, (ii) the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Australian Corporations Act, (iii) such action complies with all applicable laws, regulations and directives and (iv) such action does not require any document to be lodged with ASIC.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Covered Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the **SFO**) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong (the **C(WUMP)O**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Covered Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Covered Bonds which are or are intended to be to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Covered Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended (the **FIEA**)) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Covered Bonds, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

New Zealand

No action has been taken by the Issuer or the Dealers which would permit the Covered Bonds to be directly or indirectly offered or sold to any retail investor, or otherwise under any regulated offer, in terms of the Financial Markets Conduct Act 2013 of New Zealand (the **FMCA**). In particular, no product disclosure statement or limited disclosure document under the FMCA has been or will be prepared or lodged in New Zealand in relation to the Covered Bonds.

Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not directly or indirectly offered, sold or delivered and will not directly or indirectly offer, sell or deliver any Covered Bond in New Zealand and it will not distribute any offering memorandum or advertisement (as defined in the FMCA) in relation to any offer of Covered Bonds, in New Zealand other than to "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the FMCA, being a person who is:

(a) an “investment business”;

(b) “large”; or

(c) a “government agency”,

in each case as defined in Schedule 1 to the FMCA. For the avoidance of doubt, the Covered Bonds may not be directly or indirectly offered, sold, or delivered to, among others, any “eligible investors” (as defined in clause 41 of Schedule 1 to the FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the FMCA, meets the investment activity criteria specified in clause 38 of that Schedule.

In addition, no person may distribute any offering material or advertisement (as defined in the FMCA) in relation to any offer of Covered Bonds in New Zealand other than to such permitted persons as referred to in the paragraph above.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not directly or indirectly offered or sold, and will not directly or indirectly offer or sell, any Covered Bonds to whom it believes to be are persons to whom any amounts payable on the Covered Bonds are or would be subject to New Zealand resident withholding tax (**RWT**), unless such persons certify that they hold RWT-exempt status for New Zealand resident withholding tax purposes and provide a New Zealand tax file number to the Dealer (in which event the Dealer will provide details thereof to the Issuer or to a Paying Agent).

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Covered Bonds or caused any Covered Bonds to be made the subject of an invitation for subscription or purchase and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of any Covered Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Republic of Italy

The offering of the Covered Bonds has not been registered pursuant to Italian securities and banking legislation and, accordingly, no Covered Bonds may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Covered Bonds be distributed, in the primary or secondary market in the Republic of Italy.

Taiwan

The Covered Bonds, if listed on the Taipei Exchange for sale to professional or general investors in Taiwan and to the extent permitted by the relevant Taiwan laws and regulations, may be sold in Taiwan to all professional or general investors, as applicable, or, if not listed in Taiwan, the Covered Bonds may be made available (i) to Taiwan resident investors outside Taiwan for purchase by such investors outside Taiwan; (ii) to the Offshore Banking Units (as defined in the R.O.C. Statute for Offshore Banking Operations) of Taiwan banks purchasing the Covered Bonds for their proprietary account, in trust for their non-Taiwan trust clients or for purposes of on-sale to qualified Taiwan investors; (iii) to Offshore Securities Units (as defined in the R.O.C. Statute for Offshore Banking Operations) of Taiwan securities firms purchasing the Covered Bonds for their proprietary account, in trust for their trust clients, as agent for their non-Taiwan brokerage clients or for purposes of on-sale to qualified Taiwan investors; (iv) to the Offshore Insurance Units (as defined in the R.O.C. Statute for Offshore Banking Operations) of Taiwan insurance companies purchasing the Covered Bonds either for their proprietary account or in connection with the issuance of investment linked insurance policies to non-Taiwan policy holders; and/or (v) to investors in Taiwan through licensed financial institutions to the extent permitted under relevant Taiwan laws and regulations.

General

These selling restrictions may be amended in relation to a specific Series or Tranche of Covered Bonds by agreement between the Issuer and the Relevant Dealer or, if more than one, the Lead Manager on behalf of the Relevant Dealers. These selling restrictions may also be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification and any additional selling restrictions with which any Relevant Dealer will be required to comply will be set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) issued in respect of the issue of Covered Bonds to which it relates or in a supplement to this Prospectus.

CERTAIN ERISA AND RELATED CONSIDERATIONS

A fiduciary of a (i) pension, profit-sharing or other employee benefit plan subject to Part 4 of Subtitle B of Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**) or (ii) an entity whose underlying assets include "plan assets" by reason of such employee benefit plan's investment in the entity (collectively, **plans**), should consider the fiduciary standards of ERISA in the context of the plan's particular circumstances before authorising an investment in the Covered Bonds. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the plan, and whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Section 406 of ERISA and Section 4975 of the Code prohibit plans, as well as plans subject to Section 4975 of the Code, such as individual retirement accounts (**IRAs**) and Keogh plans, and entities the underlying assets of which include the assets of such plans (also **plans**), from engaging in certain transactions involving "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code (**parties in interest**) with respect to the plan. A violation of these prohibited transaction rules may result in civil penalties or other liabilities under ERISA and/or an excise tax under Section 4975 of the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain employee benefit plans and arrangements including those that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) (**non-ERISA arrangements**) are not subject to the requirements of ERISA or Section 4975 of the Code but may be subject to provisions under U.S. federal, state, local or non-U.S. laws or regulations that are substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (**similar laws**).

The acquisition of the Covered Bonds by a plan with respect to which the Issuer, the Sellers, the Covered Bond Guarantor, the Arranger, the Servicer, the Trust Manager, the Origination Manager, the Dealers, the Agents, the Bond Trustee, the Security Trustee or certain of their respective affiliates (collectively, the **transaction parties**) is or becomes a party in interest may constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code, unless the Covered Bonds are acquired pursuant to and in accordance with an applicable exemption. Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide an exemption for the purchase and sale of securities where none of the transaction parties has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of the plan involved in the transaction and the plan pays no more and receives no less than "adequate consideration" in connection with the transaction (the **service provider exemption**). The U.S. Department of Labor has also issued five prohibited transaction class exemptions, or **PTCEs**, that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the Covered Bonds. These exemptions are:

- PTCE 84-14, an exemption for certain transactions determined or effected by independent qualified professional asset managers;
- PTCE 90-1, an exemption for certain transactions involving insurance company pooled separate accounts;
- PTCE 91-38, an exemption for certain transactions involving bank collective investment funds;
- PTCE 95-60, an exemption for transactions involving certain insurance company general accounts; and
- PTCE 96-23, an exemption for plan asset transactions managed by in-house asset managers.

Any purchaser or holder of Covered Bonds or any interest therein will be deemed to have represented and agreed by its purchase and holding of the Covered Bonds that either (1) it is not, and is not purchasing the Covered Bonds (or any interest therein) on behalf of, or with "plan assets" of, any plan or non-ERISA arrangement which is subject to any similar laws, or (2) its acquisition, holding and disposition of the Covered Bonds (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in the case of a non-ERISA arrangement subject to similar laws, a violation of any such similar laws).

Additionally, if a purchaser or holder is, or is acting on behalf of, a plan, it will be further deemed to have represented and agreed that, (i) none of the transaction parties or other persons that provide marketing services, or any of their respective affiliates, has provided any investment recommendation or investment advice within the

meaning of Section 3(21) of ERISA to the plan, or to any fiduciary or other person investing the assets of the plan (**plan fiduciary**), in connection with its decision to invest in the Covered Bonds, and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the plan or the plan fiduciary in connection with the plan's acquisition of the Covered Bonds, and (ii) the plan fiduciary is exercising its own independent judgment in evaluating the investment in the Covered Bonds.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing Covered Bonds on behalf of, or with "plan assets" of, any plan or non-ERISA arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above, the service provider exemption or any other applicable exemption, or the potential consequences of any purchase or holding under similar laws, as applicable.

If you are an insurance company or the fiduciary of a plan or a non-ERISA arrangement and propose to invest in the Covered Bonds, you should consult your legal counsel.

GENERAL INFORMATION

Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the establishment, implementation and operation of the Programme and the issue and performance of Covered Bonds issued by it. The establishment, implementation and operation of the Programme and the issue of the Covered Bonds by it thereunder were authorised by resolutions of the board of directors of the Issuer on 26 June 2013 and 27 June 2013 and resolutions of a board delegated committee of the Issuer on 21 May 2015 and various resolutions of a board delegated committee of the Issuer, most recently on 1 June 2026.

Listing of Covered Bonds

The admission of the Programme to listing on the Official List of the FCA and to trading on the London Stock Exchange's main market is expected to take effect on or about 10 June 2026. The price of the Covered Bonds on the price list of the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that each Tranche of Covered Bonds which is to be admitted to trading on the London Stock Exchange's main market will be so admitted to trading upon submission to the London Stock Exchange of the applicable Final Terms and any other information required by the London Stock Exchange, subject to the issue of the relevant Covered Bonds. Prior to admission to trading, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.

Documents Available

For 12 months following the date of this Prospectus, the following documents will be available at https://www.macquarie.com/au/en/investors/debt-investors/secured-funding.html (other than in the case of the constitutive documents of the Covered Bond Guarantor, which will be available at the registered office of the Issuer):

(i) the constitutive documents of the Issuer;

(ii) the constitutive documents of the Covered Bond Guarantor;

(iii) any Final Terms relating to Covered Bonds of the Issuer which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. (In the case of any Exempt Covered Bonds which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, copies of the applicable Pricing Supplement will only be available for inspection by the relevant Covered Bondholders from the registered office of the Issuer or the specified office of the Principal Paying Agent);

(iv) the Bond Trust Deed (which includes the Covered Bond Guarantee and the forms of the Global Covered Bonds, the Definitive Covered Bonds, the Coupons and the Talons) but excluding the Final Terms and Pricing Supplement as set out in paragraph (iii)); and

(v) a copy of this Prospectus, together with any supplement to this Prospectus or further Prospectus and any documents incorporated by reference.

This Prospectus and the Final Terms for each Tranche of Covered Bonds will be published on the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com and are also available, without charge, on the internet site www.macquarie.com. The Issuer will also provide, without charge, upon the written request of any person, a copy of this Prospectus, the Final Terms for each Tranche of Covered Bonds issued subject to the provisions described in this Prospectus and any supplement hereto and any or all of the documents which, or portions of which, are incorporated in this Prospectus by reference. Copies of the Final Terms will also be available from the office of the Issuer and the specified office of each of the Principal Paying Agent and the EU Paying Agent set out in the section "*Directory*" at the end of this Prospectus. Written requests for such documents should be directed to the Issuer at its office set out in the section "*Directory*" at the end of this Prospectus.

Clearing Systems

The Covered Bonds may be cleared through DTC, Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The Common Code and the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Covered Bonds will be set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg. The address of DTC is 55 Walter Street, New York, New York 10041-0099.

The A$ Registered Covered Bonds may be cleared through Austraclear. If A$ Registered Covered Bonds are lodged into the Austraclear System, Austraclear will become the registered holder of those A$ Registered Covered Bonds in the A$ Register. While those A$ Registered Covered Bonds remain in the Austraclear System:

(i) all payments and notices required of the Issuer, the Covered Bond Guarantor and the Trust Manager in relation to those A$ Registered Covered Bonds will be directed to Austraclear; and

(ii) all dealings and payments in relation to those A$ Registered Covered Bonds within the Austraclear System will be governed by the Austraclear Regulations.

If the Covered Bonds are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Conditions for Determining Price

The price and amount of Covered Bonds to be issued under the Programme will be determined by the Issuer and each Relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change of the Covered Bond Guarantor

There has been no significant change in the financial performance or financial position of the Covered Bond Guarantor (in its capacity as the trustee of the MBL Covered Bond Trust) or the Trust since the date of the last published audited financial statements of the Trust and there has been no material adverse change in the prospects of the Covered Bond Guarantor (in its capacity as the trustee of the MBL Covered Bond Trust) or the Trust since the date of the last published audited financial statements of the Trust.

Audited Financial Statements of the Trust

The Trust Financial Report has been prepared to assist the Trust to meet requirements of the Establishment Deed and is intended solely for investors in the Covered Bonds and should not be used by other parties other than investors in the Covered Bonds.

Emphasis of Matter

Please refer to the section titled "*Emphasis of matter – basis of accounting and restriction on use*" contained in the Independent Auditor's Report beginning on page 40 of the Trust Financial Report for the financial year ended 31 March 2024 and page 41 of the Trust Financial Report for the financial year ended 31 March 2025, each as incorporated by reference into this Prospectus.

The emphasis of matter paragraph contained in the Trust Financial Report for the financial year ended 31 March 2024 reads as follows:

"We draw attention to Note 2 in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the directors of the Trust Manager in complying with the financial reporting requirements of the Establishment Deed dated 5 June 2015, as amended. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for MBL Covered Bond Trust and its unitholders and should not be used by parties other than MBL Covered Bond Trust and its unitholders. Our opinion is not modified in respect of this matter.".

The emphasis of matter paragraph contained in the Trust Financial Report for the financial year ended 31 March 2025 reads as follows:

"We draw attention to Note 2 in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the directors of the Trust Manager in complying with the financial reporting requirements of the Establishment Deed dated 5 June 2015, as amended. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for MBL Covered Bond Trust and its unitholders and should not be used by parties other than MBL Covered Bond Trust and its unitholders. Our opinion is not modified in respect of this matter.".

Litigation

There are no, nor have there been, any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened) of which the Covered Bond Guarantor is aware in the 12 months immediately preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Covered Bond Guarantor or the Trust.

Independent Auditor

The financial statements of the Issuer and its subsidiaries have been audited for the financial years ended 31 March 2025 and 31 March 2026 by PwC Australia, independent auditor of the Issuer and its subsidiaries for that period, and unqualified opinions have been reported thereon in accordance with Australian Auditing Standards. PwC Australia has no material interest in the Issuer.

PwC Australia's partners are members or affiliate members of Chartered Accountants Australia and New Zealand.

Reports

The Bond Trust Deed provides that the Bond Trustee may rely on the advice, report, certificate or opinion of or any information obtained from any auditor, lawyer, valuer, accountant, surveyor, banker, professional adviser, broker, financial adviser, auctioneer or other expert in accordance with the provisions of the Bond Trust Deed, whether or not addressed to the Bond Trustee notwithstanding that such advice, report, certificate, opinion, information, or any engagement letter or any other document entered into by the Bond Trustee and the relevant person in connection therewith, contains any monetary or other limit on the liability of the relevant person and the Bond Trustee will not be responsible for any Liability occasioned by so acting or relying.

The Trust Manager will prepare monthly Asset Coverage Reports detailing, among other things, compliance with the Asset Coverage Test. Copies of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for each Series (including in relation to unlisted Covered Bonds of any Series) and the Asset Coverage Reports are available to Covered Bondholders during normal business hours at the specified office of the Issuer as set out in the section "*Directory*" at the end of this Prospectus.

Contracts

The Issuer is not aware of any material contracts having been entered into by the Covered Bond Guarantor other than the Programme Documents and which could result in it being under an obligation or entitlement that is material to its ability to meet its obligation to Covered Bondholders in respect of the Covered Bonds that may be issued.

Post-issuance information

Except as set out in the monthly Asset Coverage Reports and in the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) relating to a particular Series of Covered Bonds, the Issuer does not intend to provide any post-issuance information in relation to any issue of Covered Bonds.

GLOSSARY

A$ Register means the register of holders of the A$ Registered Covered Bonds maintained by the A$ Registrar.

A$ Registered Covered Bonds means covered bonds denominated in A$ issued in registered form by entry in the A$ Register maintained by the A$ Registrar.

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

A$ Registry Agreement means the agreement entered into on or about the Programme Date, between the Issuer, the A$ Registrar, the Bond Trustee and the Covered Bond Guarantor.

ABS means the Australian Bureau of Statistics.

Account Bank means the Bank in its capacity as Account Bank pursuant to the Account Bank Agreement or such other account bank appointed pursuant to the Account Bank Agreement from time to time.

Account Bank Agreement means the account bank agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Trust Manager, the Account Bank and the Security Trustee.

Accrued Interest Adjustment in relation to a Mortgage Loan means the amount of interest accrued on that Mortgage Loan for, and any fees in relation to that Mortgage Loan falling due for payment during, the period commencing on (and including) the Mortgage Loan Scheduled Payment Date for that Mortgage Loan immediately prior to the Cut-Off Date and ending on (but excluding) the Closing Date and any accrued interest and fees due but unpaid in relation to that Mortgage Loan prior to that Mortgage Loan Scheduled Payment Date.

ADI has the meaning given to it in the section "*Description of the Covered Bonds Provisions of the Australian Banking Act*" in this Prospectus.

Adjusted Aggregate Mortgage Loan Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Adjusted Required Redemption Amount has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Right of pre-emption*" in this Prospectus.

AFSL means an Australian Financial Services Licence.

Agency Agreements means the Principal Agency Agreement, the Calculation Agency Agreement and/or the A$ Registry Agreement, as applicable, and each, an **Agency Agreement**.

Agents means the Paying Agents, each Transfer Agent, each Exchange Agent, each Registrar, the A$ Registrar, the U.S. Transfer Agent and the U.S. Registrar and **Agent** means any one of them.

Agreement Date means the date of any agreement to issue any Covered Bonds between the Issuer and the Relevant Dealer pursuant to the Regulation S Programme Agreement or the U.S. Distribution Agreement, as applicable.

Alternative Clearing System means a clearing system other than Austraclear, Euroclear, Clearstream, Luxembourg or DTC, specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) or as may otherwise be approved by the Issuer, the Bond Trustee and the Principal Paying Agent.

Amortisation Test has the meaning given to it in the section *"Overview of the Principal Documents – Establishment Deed – Amortisation Test"* in this Prospectus.

Amortisation Test Aggregate Mortgage Loan Amount has the meaning given to it in the section *"Overview of the Principal Documents – Establishment Deed – Amortisation Test"* in this Prospectus.

Amortisation Test Current Principal Balance has the meaning given to it in the section *"Overview of the Principal Documents – Establishment Deed – Amortisation Test"* in this Prospectus.

Annual Accounting Date means in respect of the Trust:

(a) 31 March in each year; or

(b) if the Covered Bond Guarantor has adopted a substituted accounting period for income tax purposes ending on a different date, or is a member of a tax consolidated group, the head company of which has a substituted accounting period for income tax purposes ending on a different date, that different date,

or such other date as the Covered Bond Guarantor (acting on the directions of the Trust Manager) may determine.

applicable Final Terms means, in relation to a Series or Tranche of Covered Bonds (other than Exempt Covered Bonds), the Final Terms (or the relevant provisions) attached to or endorsed on the Covered Bonds comprising that Series or Tranche.

applicable Pricing Supplement means, in relation to a Series or Tranche of Exempt Covered Bonds, the Pricing Supplement (or the relevant provisions) attached to or endorsed on the Covered Bonds comprising that Series or Tranche.

APRA means the Australian Prudential Regulation Authority.

Arranger has the meaning given to it in the section *"Programme Overview – The Parties"* in this Prospectus.

ASIC means the Australian Securities and Investments Commission.

Assessment Date has the meaning given to it in the section "*Overview of the Principal Documents – Cover Pool Monitor Agreement*" in this Prospectus.

Asset Coverage Reports means the monthly reports in the form agreed from time to time between the parties to the Management Agreement and each, an **Asset Coverage Report**.

Asset Coverage Test has the meaning given to it in the section *"Overview of the Principal Documents – Establishment Deed – Asset Coverage Test"* in this Prospectus.

Asset Coverage Test Breach Notice means the notice required to be served by the Bond Trustee on the Covered Bond Guarantor pursuant to the Establishment Deed indicating that the Asset Coverage Test has not been satisfied on two consecutive Determination Dates.

Asset Percentage has the meaning given to it in the section *"Overview of the Principal Documents – Establishment Deed – Asset Coverage Test"* in this Prospectus.

Assets in relation to the Trust means all assets and property, real and personal (including choses in action and other rights), tangible and intangible, present or future, held by the Covered Bond Guarantor as trustee of the Trust from time to time, including but not limited to:

(a) the Mortgage Loan Rights;

(b) Authorised Investments;

(c) Substitution Assets;

(d) the rights of the Covered Bond Guarantor in, to and under the Programme Documents and the Trust Accounts;

(e) the proceeds of realisation or sale or transfer of any Assets of the Trust;

(f) all additions or accretions (if any) to the Trust which arise by way of dividend, interest, premium or distribution, or which are otherwise received and are for the time being retained by the Covered Bond Guarantor in respect of the Trust;

(g) all income from the Trust held pending distribution or reinvestment;

(h) the benefit of all representations, warranties, agreements, undertakings, covenants, indemnities, promises and choses in action in favour of the Covered Bond Guarantor under the Programme Documents; and

(i) amounts derived or accrued from any of the assets referred to in the preceding paragraphs of this definition.

ASX means ASX Limited.

ATO means the Australian Taxation Office.

Auditors means the auditors for the time being of the Issuer or, as the case may be, the Trust (or any replacement auditor of the Trust appointed in accordance with the Establishment Deed and each, an **Auditor**.

Australian Banking Act means the Banking Act 1959 (Cth).

Australian Corporations Act means the Corporations Act 2001 (Cth).

Australian Corporations Regulations means the Corporations Regulations 2001 (Cth).

Australian Credit Licence has the meaning given to it in the NCCP.

Australian Dollar Equivalent means in relation to an amount which is denominated in:

(a) a currency other than Australian Dollars, the Australian Dollar equivalent of such amount ascertained using the relevant Swap Rate; and

(b) Australian Dollars, the applicable amount in Australian Dollars.

Australian Financial Services Licence has the meaning given to it in section 9 of the Australian Corporations Act.

Australian Reserve Bank Act means the Reserve Bank Act 1959 (Cth).

Authorised Investments means Australian Dollar demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper) (which may include deposits into any account which earns a rate of interest related to the Bank Bill Rate) provided that in all cases such investments have a maturity date of 30 days or less and mature on or before the next following Distribution Date and the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being a bank) has:

(a) a short-term deposit rating of at least P-1 by Moody's; and

(b) a credit rating of at least F1 by Fitch assigned to its short-term unsecured, unguaranteed and unsubordinated debt obligations or a credit rating of at least A- by Fitch assigned to its long term, unsecured, unsubordinated and unguaranteed debt obligations,

or which are otherwise acceptable to the Rating Agencies (if they are notified in advance) to maintain the then current rating of the Covered Bonds.

Authorised Officer in relation to a Transaction Party, means an officer of the Transaction Party, or such other person appointed by the Transaction Party to act as its authorised officer and notified to the other Transaction Parties.

Available Income Amount means in relation to a Collection Period and the Determination Date immediately following the end of that Collection Period, an amount equal to the aggregate of:

(a) the lesser of:

(i) Collections for that Collection Period; and

(ii) Finance Charge Collections for that Collection Period;

(b) all amounts of interest received on the Trust Accounts and all amounts of interest or income received in respect of the Substitution Assets and Authorised Investments, in each case, during the immediately preceding Collection Period;

(c) all amounts receivable from the Interest Rate Swap Provider under the Interest Rate Swaps on the immediately following Distribution Date;

(d) prior to the service on the Covered Bond Guarantor of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund as at the Determination Date in excess of the Reserve Fund Required Amount to the extent that such amounts were funded by the Available Income Amount on previous Distribution Dates;

(e) following the service on the Covered Bond Guarantor of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund as at the Determination Date; and

(f) any other income receipts not referred to in paragraphs (a) to (e) above (inclusive) of this definition received during any previous Collection Period and standing to the credit of the Income Ledger on the GIC Account, but excluding, subject to the Establishment Deed, any amount receivable by the Covered Bond Guarantor under the Covered Bond Swap Agreements,

but excluding:

(i) Third Party Amounts, which will be applied in accordance with the Servicing Deed; and

(ii) Swap Collateral Excluded Amounts, which will be applied in accordance with the terms of the relevant Swap Agreements.

Available Principal Amount means in relation to a Collection Period and the Determination Date immediately following the end of that Collection Period, an amount equal to the aggregate of (without double counting):

(a) the Principal Collections in relation to that Collection Period less any Principal Collections applied during that Collection Period towards the funding of Trust Further Advances during the immediately preceding Collection Period in accordance with the Servicing Deed;

(b) the proceeds of any Demand Loan Advance (where such proceeds have not been applied to acquire Mortgage Loan Rights from a Seller to invest in Substitution Assets or Authorised Investments) and any Excess Proceeds;

(c) the amount of any termination payment received from a Swap Provider which is not applied to acquire a replacement Swap for the relevant terminated Swap and the amount of any premium received from a replacement Swap Provider which is not applied to make a termination payment to a Swap Provider;

(d) prior to the service on the Covered Bond Guarantor of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund as at the Determination Date in excess of the Reserve Fund Required Amount, to the extent that such amounts were funded by a Reserve Fund Demand Loan Advance; and

(e) any other principal receipts not referred to in paragraphs (a) to (d) above (inclusive) of this definition received during any previous Collection Period and standing to the credit of the Principal Ledger on the GIC Account, but excluding, subject to the Establishment Deed, any amount of principal received by the Covered Bond Guarantor under the Swap Agreements,

but excluding Swap Collateral Excluded Amounts, which must be applied in accordance with the terms of the relevant Swap Agreements.

Bank means Macquarie Bank Limited ABN 46 008 583 542.

Bank Bill Rate in relation to a specified term, means the rate expressed as a percentage per annum determined by the Australian Financial Markets Association (**AFMA**) and published at approximately 10.15 a.m. Sydney time on the first day of that specified term on the Thompson Reuters screen page "BBSW" having a tenor equal to that specified term. If the relevant rate is not published on the Thompson Reuters screen page at that time, then the Bank Bill Rate means the rate expressed as a percentage per annum determined by AFMA and published at approximately 10.15 a.m. Sydney time on that day on the Bloomberg LLP screen page "AFMB" having a tenor equal to that specified term. If a rate cannot be determined in accordance with the foregoing procedures, then the Bank Bill Rate means such rate as is specified by the Trust Manager at or around that time on that day, having regard, to the extent possible, to comparable indices then available.

Banking Group means Macquarie B.H. Pty Limited (ABN 86 124 071 432) (the direct parent of MBL) and its subsidiaries (including the Bank).

Base Prospectus means this Prospectus prepared in connection with the Programme and constituting a base prospectus for the purposes of the PRM, as revised, supplemented or amended from time to time by the Issuer in accordance with the Regulation S Programme Agreement including any documents which are from time to time incorporated in the Base Prospectus by reference except that:

(a) in relation to each Series or Tranche of Covered Bonds only the applicable Final Terms (and not any other terms) will be deemed to be included in the Base Prospectus; and

(b) for the purpose of the representations and warranties made pursuant to the Regulation S Programme Agreement in respect of the Agreement Date and the Issue Date, the Base Prospectus means the Base Prospectus as at the Agreement Date and the Issue Date, respectively, but without prejudice to paragraph (a) above of this definition not including any subsequent revision, supplement or amendment to it or incorporation of information in it.

Basel III has the meaning given to it in the section "*Macquarie Bank Limited – Regulatory Oversight and Recent Developments – APRA Regulatory Developments – Capital adequacy*" in this Prospectus.

Basis Swap means the basis swap transaction, as evidenced by a confirmation that supplements, forms part of and is subject to, the Interest Rate Swap Master Agreement, pursuant to which the Covered Bond Guarantor pays to the Interest Rate Swap Provider an amount in respect of Mortgage Loans forming part of the Assets of the Trust that do not bear interest at a fixed rate and the Interest Rate Swap Provider pays to the Covered Bond Guarantor an amount calculated by reference to the Bank Bill Rate.

BBSW means the Australian Bank Bill Swap Rate.

Bearer Covered Bonds means Covered Bonds in bearer form.

Bearer Definitive Covered Bonds has the meaning given to it in the Conditions.

Bearer Global Covered Bonds means the Temporary Bearer Global Covered Bond and the Permanent Bearer Global Covered Bond, and **Bearer Global Covered Bond** means either one of them.

Benchmarks Regulation means Regulation (EU) No 2016/1011.

Beneficial Owner means the actual purchaser of each DTC Covered Bond.

Binding Provision means any provision of the Code of Banking Practice 2004 and any other code or agreement binding on a Seller or the Servicer and any laws applicable to banks or other lenders in the business of making retail home loans.

Bond Trust Deed means the trust deed entered into on or about the Programme Date between the Issuer, the Trust Manager, the Covered Bond Guarantor and the Bond Trustee, as amended, restated, supplemented, replaced or novated from time to time.

Bond Trustee means DB Trustees (Hong Kong) Limited, in its capacity as bond trustee under the Bond Trust Deed together with any additional or replacement bond trustee appointed from time to time in accordance with the terms of the Bond Trust Deed.

Borrower in relation to a Mortgage Loan, means the person or persons to whom a loan or other financial accommodation has been provided under that Mortgage Loan and includes, where the context requires, the mortgagor under the corresponding Mortgage.

Break Benefits in relation to a Mortgage Loan forming part of the Assets of the Trust, means any benefits payable to a Borrower under the terms of that Mortgage Loan or as required by law (and to the extent the former is inconsistent with the latter, the latter will prevail) upon, and solely in respect of, the early termination of a given fixed interest rate relating to all or part of that Mortgage Loan prior to the scheduled termination of that fixed interest rate.

Break Costs means any costs payable by the Borrower, the insurer under a Mortgage Insurance Policy or any other person in relation to a Mortgage Loan forming part of the Assets of the Trust (or a Mortgage Loan which was immediately prior to its being written off by the Servicer in accordance with the Servicing Guidelines or the date that it was assigned under a Mortgage Insurance Policy, an Asset of the Trust) arising from the early termination of that Mortgage Loan or the early termination of a fixed interest rate period under that Mortgage Loan.

Business Day has the meaning given to it in Condition 4.4.

Calculation Agency Agreement means an agreement in substantially the form set out in schedule 1 to the Principal Agency Agreement between the Issuer, the Covered Bond Guarantor, the Bond Trustee and a Calculation Agent.

Calculation Agent means in relation to all or any Series of the Covered Bonds, the person initially appointed as calculation agent in relation to such Covered Bonds by the Issuer and the Covered Bond Guarantor pursuant to the relevant Agency Agreement or such other person specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) or, if applicable, any successor or separately appointed calculation agent in relation to all or any Series of the Covered Bonds.

Calculation Management Services has the meaning given to it in the section "*Overview of the Principal Documents – Management Agreement*" in this Prospectus.

Capital Unit means a Unit in the Trust which is designated as a "Capital Unit" in the Unit Register.

Capital Unitholder means a person registered as the holder of a Capital Unit in the Trust in the Unit Register.

Cash Management Services has the meaning given to it in the section "*Overview of the Principal Documents – Management Agreement*" in this Prospectus.

Certificate of Title in relation to a Mortgaged Property means the certificate of title or other documents evidencing title to that Mortgaged Property (including, if applicable, the documents forming any abstract of that title) or where the certificate of title or other documents have been cancelled due to the computerisation of the register, any original registration confirmation, notification or statement which the relevant Seller has in its files.

Charge means the charge over the Non-PPSA Secured Property created pursuant to the Security Deed.

Clearstream, Luxembourg has the meaning given to it in Condition 1.

Closing Date means the date specified by the relevant Seller to the Covered Bond Guarantor and the Trust Manager in a Transfer Proposal (if any) issued by the relevant Seller to be the Closing Date (or such other date as the Trust Manager may notify the Covered Bond Guarantor and the relevant Seller in accordance with that Transfer Proposal).

Code means the U.S. Internal Revenue Code of 1986, as amended.

Collateral Security means in respect of a Mortgage Loan:

(a) any:

(i) Security Interest; or

(ii) guarantee, indemnity or other assurance,

which secures or otherwise provides for the repayment or payment of that Mortgage Loan but does not include the Mortgage relating to that Mortgage Loan; or

(b) any Mortgage Insurance Policy or Insurance Policy in respect of the Mortgage relating to the Mortgage Loan or the Land secured by the Mortgage relating to that Mortgage Loan.

Collections in relation to a Collection Period means the aggregate of the following amounts (without double counting) in respect of the Mortgage Loans then forming part of the Assets of the Trust:

(a) A less the sum of (B + C) where:

(i) A = the sum of amounts for which a credit entry is made during the period to the accounts established in the records for those Mortgage Loans;

(ii) B = amounts for which a credit entry is made to the accounts established in the records for those Mortgage Loans which relates to any Defaulted Amount on those Mortgage Loans during the period; and

(iii) C = reversals made during the period to the accounts established in the records in respect of those Mortgage Loans where the original credit entry (or part thereof) was made in error or was made but subsequently reversed due to funds not being cleared;

(b) any Recoveries received by or on behalf of the Covered Bond Guarantor under or in respect of the Mortgage Loans and the related Mortgages and Collateral Securities during that period (less any reversals made during the period in respect of Recoveries where the original debit entry (or part thereof) was in error);

(c) the proceeds from any sale of Mortgage Loans during that Collection Period pursuant to the terms of the Establishment Deed or the Mortgage Sale Agreement (but not including any such proceeds that comprise accrued interest or arrears of interest) that have been, or are to be, on the immediately following Distribution Date, credited to the Principal Ledger on the GIC Account;

(d) in respect of any sale or transfer of Mortgage Loans during that Collection Period pursuant to the terms of the Establishment Deed or the Mortgage Sale Agreement:

(i) the proceeds of such sale or transfer to the extent the proceeds comprise accrued interest or arrears of interest (if any) that has been, or is to be, on the immediately following Distribution Date credited to the Income Ledger on the GIC Account; and

(ii) that are purchased by the Bank or a Seller in accordance with clause 6 of the Mortgage Sale Agreement, interest on the related amount that will be paid by the Bank or the relevant Seller on the immediately following Distribution Date in accordance with clause 6.3 of the Mortgage Sale Agreement;

(e) any amount in respect of damages or pursuant to an indemnity received by or on behalf of the Covered Bond Guarantor as a result of a breach of any representation or warranty or undertaking by any party to the Programme Documents;

(f) any insurance proceeds received during the period by or on behalf of the Covered Bond Guarantor in accordance with any Mortgage Insurance Policy or any Insurance Policy;

(g) any Interest Offset Amounts received by the Covered Bond Guarantor from the MBL Seller following the end of that Collection Period but before the next Payment Date; and

(h) any amounts received during that Collection Period by the Covered Bond Guarantor in respect of a Mortgage Loan in connection with a Risk Sharing Agreement,

but excluding, for the avoidance of doubt any amount debited during the period to the accounts established in the records for those Mortgage Loans representing fees or charges imposed by any Governmental Agency, bank accounts debits tax or similar tax or duty imposed by any Governmental Agency (including any tax or duty in respect of payments or receipts to or from bank or other accounts) or insurance premiums paid.

Collection Period means:

(a) with respect to the first Determination Date, the period commencing on (and including) the first Closing Date and ending on the last day of the calendar month in which the first Closing Date occurs; and

(b) with respect to each subsequent Determination Date, the calendar month immediately preceding that Determination Date.

Companies Act means the Companies Act 2006 (UK) (and, any regulations made pursuant to that Act).

Competent Authorities means a court, tribunal, authority, ombudsman or other entity whose decisions, findings, orders, judgment or determinations (howsoever reached) are binding on a Seller or the Servicer and each, a **Competent Authority.**

Compounded Daily SONIA has the meaning given to it in Condition 4.2(e).

Conditions means the terms and conditions of the Covered Bonds (as set out in schedule 1 to the Bond Trust Deed) as completed by the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in relation to a particular Series or Tranche of Covered Bonds, as the same may be modified from time to time in accordance with the Bond Trust Deed. References herein to the Conditions are to each of such terms and conditions, or to the relevant terms and conditions, as the context requires.

Consideration means the aggregate Current Principal Balance of the Mortgage Loans transferred to the Covered Bond Guarantor as at the relevant Cut-Off Date.

Consumer Credit Code means the Consumer Credit Code set out in the Appendix to the Consumer Credit (Queensland) Act 1994 as in force or applied as a law of any Australian jurisdiction.

Couponholders has the meaning given to it in the Conditions.

Coupons has the meaning given to it in the Conditions.

Cover Pool Monitor means PricewaterhouseCoopers or such replacement Cover Pool Monitor appointed from time to time in accordance with the terms of the Cover Pool Monitor Agreement.

Cover Pool Monitor Agreement means the Cover Pool Monitor Agreement entered into on or about the Programme Date, between the Cover Pool Monitor, the Covered Bond Guarantor, the Trust Manager, the Servicer, the PUMA Funds Seller, the MBL Seller, the Issuer, the Bond Trustee and the Security Trustee.

Cover Pool Monitor Report means the results of the agreed upon procedures conducted by the Cover Pool Monitor in accordance with the Cover Pool Monitor Agreement substantially in such form as may be agreed between the Issuer and the Cover Pool Monitor from time to time, as amended, replaced or supplemented from time to time.

Covered Bond Guarantee means the unconditional and irrevocable guarantee by the Covered Bond Guarantor in the Bond Trust Deed for the payment of an amount equal to the Guaranteed Amounts in respect of the Covered Bonds when the same will become Due for Payment.

Covered Bond Guarantee Acceleration Notice has the meaning given to it in Condition 9.2.

Covered Bond Guarantor means Perpetual Limited ABN 86 000 431 827, solely in its capacity as trustee of the Trust and any replacement trustee appointed from time to time in accordance with the terms of the Establishment Deed.

Covered Bond Guarantor Event of Default has the meaning given to it in Condition 9.2.

Covered Bond Guarantor Termination Event means each of the following events, upon the occurrence of which the Covered Bond Guarantor must retire as trustee of the Trust in accordance with the Establishment Deed:

(a) having been required to do so by the Trust Manager by notice in writing, the Covered Bond Guarantor fails or neglects within 20 Business Days (or such longer period as the Trust Manager may agree to) after receipt of such notice to carry out or satisfy any material duty or obligation imposed on the Covered Bond Guarantor by any Programme Document;

(b) an Insolvency Event occurs with respect to the Covered Bond Guarantor in its personal capacity;

(c) the Covered Bond Guarantor ceases to carry on business;

(d) the Covered Bond Guarantor merges or consolidates into another entity, unless approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the commercial reputation and standing of the surviving entity will not be less than that of the Covered Bond Guarantor prior to such merger or consolidation, and unless the surviving entity assumes the obligations of the Covered Bond Guarantor under the Programme Documents;

(e) there is a change in the ownership of 50 per cent. or more of the issued equity share capital of the Covered Bond Guarantor from the position as at the date of the Establishment Deed, or effective control of the Covered Bond Guarantor alters from the position as at the Programme Date, unless in either case approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the change in ownership or control of the Covered Bond Guarantor will not result in a lessening of the commercial reputation and standing of the Covered Bond Guarantor; or

(f) (i) an Extraordinary Resolution requiring the removal of the Covered Bond Guarantor as trustee of the Trust is passed at a meeting of Covered Bondholders of all Series taken together as a single Series with the nominal amount of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate; and

(ii) such retirement is approved in writing by each Secured Creditor (such approval not to be unreasonably withheld or delayed).

Covered Bond Swap means each currency swap and/or interest rate transaction entered into with respect to a Series or Tranche of Covered Bonds as evidenced by a confirmation that supplements, forms part of and is subject to, a Covered Bond Swap Master Agreement and which, for the avoidance of doubt, does not include the Interest Rate Swaps.

Covered Bond Swap Agreement means a Covered Bond Swap Master Agreement together with one or more confirmations thereunder, each evidencing a Covered Bond Swap.

Covered Bond Swap Master Agreement means a Swap Master Agreement entered into between the Covered Bond Guarantor, the Trust Manager, the Security Trustee and a Covered Bond Swap Provider, governing one or more Covered Bond Swaps.

Covered Bond Swap Provider means, in relation to a Covered Bond Swap, the entity appointed as covered bond swap provider from time to time under the relevant Covered Bond Swap Agreement together with any transferee, successor thereto or replacement Covered Bond Swap Provider.

Covered Bondholders has the meaning given to it in the relevant Conditions.

Covered Bonds means the covered bonds issued or to be issued pursuant to the Programme Agreements and which are or are to be constituted under the Bond Trust Deed (including any A$ Registered Covered Bonds), which may be represented by a Global Covered Bond or any Definitive Covered Bond and includes any replacements of a Covered Bond issued pursuant to Condition 11 and each, a **Covered Bond**.

CRA Regulation means Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 (as amended).

Current Principal Balance means in relation to any Mortgage Loan forming part of the Assets of the Trust as at any given date, the principal balance of that Mortgage Loan to which the relevant Seller applies the relevant interest rate to and at which interest on that Mortgage Loan accrues interest, and is the aggregate (but avoiding double counting) of:

(a) the original principal amount advanced to the relevant Borrower and any further amount advanced on or before any given date to the relevant Borrower under that Mortgage Loan secured or intended to be secured by the Collateral Security;

(b) the amount of any Further Advances secured or purported to be secured by the Collateral Security; and

(c) any interest or expenses that have been capitalised,

less any repayment or payment of any of the foregoing made on or before the end of the Local Business Day immediately preceding that given date.

Cut-Off Date means the date specified by the relevant Seller as such in a Transfer Proposal issued by the relevant Seller (or such other date as the Trust Manager may notify the Covered Bond Guarantor and the relevant Seller in accordance with that Transfer Proposal).

Dealer and **Dealers** have the meanings given to them in the relevant Programme Agreement.

Deed of Accession means any deed of accession entered into between the Covered Bond Guarantor, a New Secured Creditor, and Security Trustee (on behalf of all Secured Creditors) substantially in the form set out in schedule 1 to the Security Deed.

Defaulted Amount in relation to a Collection Period means the aggregate principal amount of any Mortgage Loans which have been written off by the Trust Manager as uncollectible during that Collection Period.

Defaulted Mortgage Loan means a Mortgage Loan in respect of which:

(a) the Borrower (as recognised by the Servicer's system) fails to pay on the due date any amount due pursuant to the corresponding Loan Agreement (including any amount not previously paid which remains outstanding) and the failure continues, without remedy, for a period of 90 days from the due date for the payment of such amount under the relevant Loan Agreement; or

(b) an event of default, howsoever described, (other than an event of default referred to in paragraph (a) above of this definition) occurs under any relevant Mortgage Document where the event of default continues unremedied for 90 days (or such shorter period as the Servicer may determine is appropriate in relation to a specific event of default) unless the Servicer reasonably determines that such event of default is of a minor or technical nature.

Definitions Schedule has the meaning given to it in the Conditions.

Definitive Covered Bond means a Bearer Definitive Covered Bond and/or, as the context may require, a Registered Definitive Covered Bond.

Demand Loan means the aggregate principal amount of each Demand Loan Advance, as reduced by repayment under the Demand Loan Agreement.

Demand Loan Advances means advances made or to be made by the Demand Loan Provider to the Covered Bond Guarantor under the Demand Loan Facility, and each a **Demand Loan Advance**.

Demand Loan Agreement means the demand loan agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Trust Manager, the Demand Loan Provider, the Issuer and the Security Trustee as amended, restated, supplemented, replaced or novated from time to time.

Demand Loan Drawdown Request means a request substantially in the form of schedule 1 to the Demand Loan Agreement.

Demand Loan Facility means an Australian Dollar revolving credit facility under which the Demand Loan Provider may make Demand Loan Advances to the Covered Bond Guarantor in accordance with the Demand Loan Agreement.

Demand Loan Provider means the Bank.

Determination Date means seven Local Business Days before each Distribution Date following the first Closing Date or, if any such day is not a Local Business Day, the following Local Business Day.

Direct Participants means participants that deposit securities with DTC.

Distribution Compliance Period means the period that ends 40 days after the completion of the distribution of the relevant Tranche of Covered Bonds.

Distribution Date means:

(a) the 12th day of each calendar month (or if such a day is not a Local Business Day, the next Local Business Day), provided that, the first Distribution Date will be the 12th day of the calendar month in which the

first Determination Date occurs (or if that day is not a Local Business Day, the next Local Business Day); and

(b) the Vesting Date.

Due for Payment means the requirement by the Covered Bond Guarantor to pay any Guaranteed Amount following the delivery of a Notice to Pay on the Covered Bond Guarantor:

(a) prior to the occurrence of a Covered Bond Guarantor Event of Default and the service of a Covered Bond Guarantee Acceleration Notice on the, Issuer and the Covered Bond Guarantor (copied to the Trust Manager):

(i) (except where (ii) below applies) the Original Due for Payment Date; and

(ii) in relation to any Guaranteed Amounts in respect of the Final Redemption Amount payable on the Final Maturity Date for a Series of Covered Bonds only, the Extended Due for Payment Date, but only (x) if in respect of the relevant Series of Covered Bonds the Covered Bond Guarantee is subject to an Extended Due for Payment Date pursuant to the terms of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) and (y) to the extent that the Covered Bond Guarantor having received a Notice to Pay no later than the date falling one Business Day prior to the Extension Determination Date does not pay Guaranteed Amounts equal to the Final Redemption Amount in respect of such Series of Covered Bonds by the Extension Determination Date, as the Covered Bond Guarantor has insufficient moneys available under the Guarantee Priority of Payments to pay such Guaranteed Amounts in full on the earlier of (A) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9.2(a)) under the terms of the Covered Bond Guarantee or (B) the Extension Determination Date,

or if, in either case, such day is not a Business Day, the next following Business Day. For the avoidance of doubt, Due for Payment does not refer to any earlier date upon which payment of any Guaranteed Amounts may become due under the guaranteed obligations, by reason of prepayment, acceleration of maturity, mandatory or optional redemption or otherwise; or

(b) following the occurrence of a Covered Bond Guarantor Event of Default, the date on which a Covered Bond Guarantee Acceleration Notice is served on the Issuer and the Covered Bond Guarantor (copied to the Trust Manager).

DTC means The Depository Trust Company, a wholly-owned subsidiary of DTCC.

DTC Covered Bonds means Covered Bonds that are accepted into the book-entry settlement system of DTC.

DTCC means The Depository Trust & Clearing Company.

Earliest Maturing Covered Bonds means at any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the GIC Account) that has or have the earliest Final Maturity Date as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) (in each case, ignoring any acceleration of amounts due under the Covered Bonds prior to the occurrence of a Covered Bond Guarantor Event of Default).

Early Redemption Amount means, in relation to a Series of Covered Bonds, the early redemption amount determined in accordance with Condition 5.7 or Condition 5.9.

Eligible Mortgage Loan means, on any day, a Mortgage Loan which on that day satisfies the criteria set out in section "*Overview of the Principal Documents – Mortgage Sale Agreement – Eligible Mortgage Loans*" in this Prospectus.

Establishment Deed means the deed entered into on or about the Programme Date, between the Covered Bond Guarantor, the Issuer, the Trust Manager, the PUMA Funds Seller, the MBL Seller and the Servicer, as amended, replaced or supplemented from time to time.

EU Paying Agent means Deutsche Bank Luxembourg S.A. or any other person from time to time appointed to perform the role of EU paying agent under the Principal Agency Agreement.

Euroclear has the meaning given to it in Condition 1.

EUWA means the European Union (Withdrawal) Act 2018.

Excess Proceeds means moneys received (following the occurrence of an Issuer Event of Default and delivery of an Issuer Acceleration Notice and a Notice to Pay) by the Bond Trustee from the Issuer or any administrator, receiver, manager, liquidator, controller, statutory manager or other similar official appointed in relation to the Issuer.

Exchange Act means the U.S. Securities Exchange Act of 1934, as amended.

Exchange Agent means Deutsche Bank AG, Hong Kong Branch or any other person from time to time appointed to perform the role of exchange agent under the Principal Agency Agreement.

Exchange Date means on or after the date which is 40 days after a Temporary Bearer Global Covered Bond is issued.

Excluded Scheduled Interest Amounts and **Excluded Scheduled Principal Amounts** have the meanings given to them in the definitions of "Scheduled Interest" and "Scheduled Principal" respectively.

Excluded Swap Termination Amount means in relation to a Swap Agreement, an amount equal to the amount of any termination payment due and payable (a) to the relevant Swap Provider as a result of a Swap Provider Default with respect to such Swap Provider or (b) to the relevant Swap Provider following a Swap Provider Downgrade Event with respect to such Swap Provider.

Exempt Covered Bonds means Covered Bonds for which no prospectus is required to be published under the FSMA.

Extended Due for Payment Date has the meaning given to it in Condition 5.1.

Extension Determination Date has the meaning given to it in Condition 5.1.

Extraordinary Resolution means a resolution of the Covered Bondholders passed as such under the terms of the Bond Trust Deed.

FATCA means sections 1471 to 1474 of the Code or any regulations thereunder or official interpretations thereof.

FATCA Withholding means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code or otherwise imposed pursuant to FATCA or an IGA (or any law implementing such an IGA).

Final Maturity Date means, in relation to a Series of Covered Bonds, the Interest Payment Date specified as such in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) on which such Series of Covered Bonds is required to be redeemed in accordance with Condition 5.

Final Redemption Amount means, in relation to a Series of Covered Bonds, the meaning given in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Final Terms means the Final Terms prepared in relation to each Series or Tranche of Covered Bonds (other than Exempt Covered Bonds) issued under the Programme (substantially in the form set out in the Prospectus) and giving details of that Series or Tranche and, in relation to any particular Series or Tranche of Covered Bonds (other than Exempt Covered Bonds) and which, as appropriate, will constitute final terms for the purposes of the PRM.

Finance Charge Collections in relation to a Collection Period means the aggregate of the following amounts (without double counting) as determined by the Trust Manager in respect of the Mortgage Loans then forming part of the Assets of the Trust:

(a) the aggregate of:

(i) all debit entries representing interest or other charges that have been charged during that period made to the accounts established in the records for those Mortgage Loans;

(ii) subject to paragraph (iii) below of this definition, any Break Costs charged in relation to those Mortgage Loans during a prior period and received by or on behalf of the Covered Bond Guarantor during that period; and

(iii) any amounts received by or on behalf of the Covered Bond Guarantor during that period from the enforcement of any Mortgage or in accordance with any Mortgage Insurance Policy in relation to those Mortgage Loans, where such amounts:

(A) exceed the aggregate of the costs of enforcement of any such Mortgage and the interest and principal then outstanding on the related Mortgage Loan in respect of which the amounts are received; and

(B) represent part or all of the Break Costs charged during a prior period on those Mortgage Loans in respect of which the amounts are received,

less the aggregate of:

(iv) any reversals made during that period in respect of interest or other charges (including Break Costs) in relation to any of the accounts established in the records for those Mortgage Loans where the original debit entry (or part thereof) was in error;

(v) any Break Benefits paid to a Borrower in relation to those Approved Mortgages during that period; and

(vi) any Break Costs charged to the accounts established in the records for those Mortgage Loans during that period that have not been received by or on behalf of the Covered Bond Guarantor during that period;

(b) in respect of any sale or transfer of Mortgage Loans during that Collection Period pursuant to the terms of the Establishment Deed or the Mortgage Sale Agreement:

(i) the proceeds of such sale or transfer to the extent the proceeds comprise accrued interest or arrears of interest (if any) that has been, or is to be, on the immediately following Distribution Date credited to the Income Ledger on the GIC Account; and

(ii) that are purchased by the Bank or a Seller in accordance with clause 6 of the Mortgage Sale Agreement, interest on the related amount that will be paid by the Bank or the relevant Seller on the immediately following Distribution Date in accordance with clause 6.3 of the Mortgage Sale Agreement; and

(c) any amount in respect of damages or pursuant to an indemnity received by or on behalf of the Covered Bond Guarantor as a result of a breach of any representation or warranty or undertaking by any party to the Programme Documents which represents amounts on account of interest, as determined by the Trust Manager; and

(d) any amounts received during that Collection Period by the Covered Bond Guarantor in respect of a Mortgage Loan in connection with a Risk Sharing Agreement,

but excluding, for the avoidance of doubt any amount debited during the period to the accounts established in the records for those Mortgage Loans representing fees or charges imposed by any Governmental Agency, bank accounts debits tax or similar tax or duty imposed by any Governmental Agency (including any tax or duty in respect of payments or receipts to or from bank or other accounts) or insurance premiums paid.

Financial Reports has the same meaning given to the term "financial statements" in section 9 of the Australian Corporations Act.

Financial Year means a period of 12 months ending on and including the next following Annual Accounting Date, except for the first Financial Year which is the period beginning on the Programme Date and ending on the next following Annual Accounting Date.

First Determination Date has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Fitch means Fitch Australia Pty Ltd ABN 93 081 339 184 and includes any successor to its ratings business.

Fitch Specified Rating means a credit rating by Fitch of:

(a) short-term unsecured, unsubordinated and unguaranteed debt obligations of at least F1; or

(b) long term, unsecured, unsubordinated and unguaranteed debt obligations of at least A-.

Fixed Rate Mortgage Loans means each Mortgage Loan which is subject to a fixed interest rate for a specified period of time and at the expiration of that period is generally subject to a variable rate of interest.

Fixed Rate Swap means the fixed rate swap transaction as evidenced by a confirmation that supplements, forms part of and is subject to, the Interest Rate Swap Master Agreement pursuant to which the Covered Bond Guarantor pays to the Interest Rate Swap Provider an amount in respect of Fixed Rate Mortgage Loans forming part of the Assets of the Trust and the Interest Rate Swap Provider pays to the Covered Bond Guarantor an amount calculated by reference to the Bank Bill Rate.

Floating Rate has the meaning given to it in Condition 4.2(d).

Floating Rate Payer Spread in relation to a Series or Tranche of Covered Bonds, has the meaning given to it in the applicable Covered Bond Swap Agreement entered into in respect of that Series or Tranche of Covered Bonds.

Forward Starting Covered Bond Swap has the meaning given to it in the section "*Overview of the Principal Documents – Swap Agreements – Covered Bond Swap Agreements*" in this Prospectus.

fraud of the Covered Bond Guarantor or the Security Trustee means the fraud of the Covered Bond Guarantor or the Security Trustee, as the case may be, and of its officers, employees, agents and any other person where the Covered Bond Guarantor or the Security Trustee is liable for the acts or omissions of such other person under the terms of the relevant Programme Document.

FSMA means the United Kingdom Financial Services and Markets Act 2000, as amended.

Further Advances means in relation to a Mortgage Loan forming part of the Assets of the Trust any advances of further money by a Seller, the Bank (whether directly or indirectly, acting on behalf of the PUMA Funds Seller or in its capacity as the MBL Seller) or MSL (whether directly or indirectly, acting on behalf of a Seller), to the relevant Borrower which is recorded as a debit to the account in respect of that Mortgage Loan in the relevant Seller's records in accordance with the Mortgage Sale Agreement, and each a **Further Advance**.

GDP means gross domestic product.

GIC Account means the account in the name of the Covered Bond Guarantor held with the Account Bank and maintained subject to the terms of the Account Bank Agreement, the GIC Account Mandate and/or such additional or replacement account as may from time to time be in place pursuant to the terms of the Account Bank Agreement.

GIC Account Mandate means the resolutions, instructions and signature authorities relating to the GIC Account substantially in the form set out in schedule 1 to the Account Bank Agreement.

Global Covered Bond has the meaning given to it in the Conditions.

Government Charge means any amount debited to the accounts established in the Servicer's records for the Mortgage Loans representing bank accounts debits tax or similar tax or duty imposed by any Governmental Agency.

Governmental Agency means the Federal Government of the Commonwealth of Australia, the Government of any State or Territory of the Commonwealth of Australia, the Government of any other country or political subdivision thereof and any minister, department, office, commission, instrumentality, agency, board, authority or organ of any of the foregoing or any delegate or person deriving authority from any of the foregoing.

GST means the goods and services tax imposed pursuant to the GST Act.

GST Act means A New Tax System (Goods and Services Tax) Act 1999.

GST Law has the meaning given in the A New Tax System (Goods and Services Tax) Act 1999.

Guarantee Priority of Payments has the meaning given to it in Condition 5.1.

Guaranteed Amounts means:

(a) prior to the service of a Covered Bond Guarantee Acceleration Notice, with respect to any Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, the sum of Scheduled Interest and Scheduled Principal, in each case, payable on that Original Due for Payment Date or, if applicable, any Extended Due for Payment Date; or

(b) after service of a Covered Bond Guarantee Acceleration Notice, an amount equal to the relevant Early Redemption Amount as specified in the Conditions or, if applicable, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) plus all accrued and unpaid interest and any other amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever the same arose) and all amounts payable by the Covered Bond Guarantor under the Bond Trust Deed.

Hard Bullet Covered Bonds means a Series of Covered Bonds which is scheduled to be redeemed in full on the Final Maturity Date for such Covered Bonds and without any provision for scheduled redemption other than on the Final Maturity Date.

Higher Redemption Amount means the amount (if any) specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

IGA means an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation of FATCA.

In Specie Failure means a failure (as determined by the Demand Loan Provider) for any reason whatsoever by the Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Security Trustee to distribute Mortgage Loan Rights to the Demand Loan Provider or its Nominee as an in specie distribution in satisfaction of the principal amount then due in respect of the Demand Loan.

In Specie Mortgage Loan Rights means any Mortgage Loan Rights identified by the Trust Manager for the purposes of an in specie distribution to the Demand Loan Provider or its Nominee in accordance with the applicable Priority of Payments.

Income Ledger means the ledger of such name maintained by the Trust Manager pursuant to the Management Agreement to record credits of certain items described in the definition of Available Income Amount and debits in accordance with the terms of the Establishment Deed.

Income Unit means the Unit in the Trust which is designated as the "Income Unit" in the Unit Register.

Income Unitholder means the person registered as the holder of the Income Unit in the Trust in the Unit Register.

Indexed Valuation means on any day in relation to any Land:

(a) where the Latest Valuation of that Land is equal to or greater than the Reference Indexed Valuation as at that date, the Reference Indexed Valuation; or

(b) where the Latest Valuation of that Land is less than the Reference Indexed Valuation as at that date, the Latest Valuation plus 85 per cent. of the difference between the Latest Valuation and the Reference Indexed Valuation.

Indirect Participants means securities brokers and dealers, banks, trust companies, clearing corporations and others that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly.

Insolvency Event in relation to a person (for the purposes of this definition the **Relevant Entity**), means any of the following events:

(a) an order is made that the Relevant Entity be wound up;

(b) a liquidator, provisional liquidator, controller (as defined in the Australian Corporations Act) or administrator is appointed in respect of the Relevant Entity or a substantial portion of its assets whether or not under an order;

(c) except to reconstruct or amalgamate on terms reasonably approved by the Covered Bond Guarantor (or in the case of a reconstruction or amalgamation of the Covered Bond Guarantor, on terms reasonably approved by the Trust Manager), the Relevant Entity enters into, or resolves to enter into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors;

(d) the Relevant Entity resolves to wind itself up, or otherwise dissolve itself, or gives notice of its intention to do so, except to reconstruct or amalgamate on terms reasonably approved by the Trustee (or in the case of a reconstruction or amalgamation of the Trustee, except on terms reasonably approved by the Trust Manager) or is otherwise wound up or dissolved;

(e) the Relevant Entity is or states that it is insolvent;

(f) as a result of the operation of section 459F(1) of the Australian Corporations Act, the Relevant Entity is taken to have failed to comply with a statutory demand;

(g) the Relevant Entity takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation;

(h) any writ of execution, attachment, distress or similar process is made, levied or issued against or in relation to a substantial portion of the body corporate's assets and is not satisfied or withdrawn or contested in good faith by the body corporate within 21 days; or

(i) anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

Insurance Policies means any insurance policy (whether present or future) under which improvements on the Land the subject of a Mortgage or a Collateral Security are insured against destruction or damage by events which include fire.

Insurance Proceeds means the proceeds paid by an insurer pursuant to any Insurance Policy.

Intercompany Loan Agreement means the intercompany loan agreement dated on or about the Programme Date, between the Intercompany Loan Provider, the Covered Bond Guarantor, the Trust Manager, the Issuer and the Security Trustee, as amended, replaced or supplemented from time to time.

Intercompany Loan Drawdown Date means, in relation to a Term Advance, the date specified in the Term Advance Drawdown Request for the making of the Term Advance, which must be a Local Business Day.

Intercompany Loan Interest Payment Date means, in relation to a Term Advance, the date specified in the Term Advance Notice.

Intercompany Loan Provider means the Bank.

Interest Amount has the meaning given to it in Condition 4.2(i).

Interest Commencement Date in relation to a Series of Covered Bonds has the meaning given to it in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Interest Determination Date has the meaning given to it in Condition 4.2.

Interest Offset Amount has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Interest Offset Arrangements*".

Interest Offset Arrangements has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Interest Offset Arrangements*".

Interest Payment Date has the meaning given to it in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Interest Period has the meaning given to it in Condition 4.1(a) or Condition 4.2(a), as applicable.

Interest Rate Shortfall has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Interest Rate Shortfall Test*" in this Prospectus.

Interest Rate Shortfall Demand Loan Advance means a Demand Loan Advance requested by the Trust Manager in accordance with the Demand Loan Agreement to fund the purchase of further Mortgage Loan Rights to rectify an Interest Rate Shortfall.

Interest Rate Shortfall Test has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Interest Rate Shortfall Test*" in this Prospectus.

Interest Rate Swap means the Fixed Rate Swap and/or the Basis Swap, as applicable.

Interest Rate Swap Agreement means the Interest Rate Swap Master Agreement together with the confirmations thereunder evidencing the Interest Rate Swap.

Interest Rate Swap Master Agreement means a Swap Master Agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Trust Manager, the Security Trustee and the Interest Rate Swap Provider, governing the Interest Rate Swaps.

Interest Rate Swap Provider means, in respect of an Interest Rate Swap, the Bank in its capacity as interest rate swap provider under that Interest Rate Swap together with any transferee, successor thereto or replacement Interest Rate Swap Provider.

ISDA means the International Swaps and Derivatives Association, Inc.

ISDA Definitions means the 2006 ISDA Definitions as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds.

ISDA Master Agreement means the 2002 ISDA master agreement, as published by ISDA.

Issue Date means, in relation to any Series or Tranche, the date on which such Series or Tranche has been issued or, if not yet issued, the date agreed between the Issuer and the Relevant Dealer or the Lead Manager, as the case may be, for the issue of such Series or Tranche.

Issue Price means, in relation to a Series or Tranche (as applicable) of Covered Bonds, the price, generally expressed as a percentage of the nominal amount of the Covered Bonds, at which the Covered Bonds will be issued and which is specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Issuer means the Bank acting through its head office in Sydney or a branch outside Australia.

Issuer Acceleration Notice has the meaning given to it in Condition 9.1.

Issuer Event of Default has the meaning given to it in Condition 9.1.

Junior Demand Loan Component has the meaning given to it in the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus.

Land means:

(a) land (including tenements and hereditaments corporeal and incorporeal and every estate and interest in it whether vested or contingent, freehold or Crown leasehold, the term of which lease is expressed to expire not earlier than five years after the maturity of the relevant Mortgage, and whether at law or in equity) wherever situated and including any fixtures to land; and

(b) any parcel and any lot, common property and land comprising a parcel within the meaning of the Strata Schemes (Freehold Development) Act 1973 (NSW) or the Community Land Development Act 1989 (NSW) or any equivalent legislation in any other Australian jurisdiction.

Latest Valuation means, in relation to Land, the value given to the Land by the most recent valuation report obtained in accordance with the Servicing Guidelines and held on the applicable Loan Files or the purchase price of the Land (if there is no valuation report).

Lead Manager means, in relation to any Series or Tranche of Covered Bonds, the person named as the Lead Manager in the applicable Subscription Agreement.

Ledger means each of the following:

(a) the Principal Ledger;

(b) the Income Ledger;

(c) the Pre-Maturity Ledger; and

(d) the Reserve Ledger,

and references to **Ledgers** will be any two or more of such ledgers.

Legislated Asset Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus.

Legislated Collateralisation Test has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus.

Legislated Mortgage Loan Balance Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus.

Liabilities means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities whatsoever including properly incurred legal fees and penalties incurred by that person, and **Liability** will be construed accordingly.

Loan Agreement means, with respect to a Mortgage Loan, any agreement, schedule, terms and condition, letter, application, approval or other document (other than the relevant Mortgage) relating to the provision of financial accommodation by the relevant Seller to the Borrower in connection with that Mortgage Loan.

Loan Files in relation to a Mortgage Loan, means the Mortgage Documents relating to the Mortgage Loan and all other books, records, paper and electronic files (whether originals or copies) relating to the Mortgage Loan.

Local Business Day means any day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Sydney.

Long Maturity Covered Bond has the meaning given to it in Condition 6.7(b).

LVR Adjusted Mortgage Loan Balance Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Macquarie Group means Macquarie Group Limited ABN 94 122 169 279 and its subsidiaries.

Majority Secured Creditors means Secured Creditors whose Secured Obligations amount in aggregate to more than 66 per cent. of the total Secured Obligations.

Management Agreement means the management agreement entered into on or about the Programme Date, between the PUMA Funds Seller, the Servicer, the Origination Manager, the Account Bank, the Covered Bond Guarantor, the Trust Manager, the Issuer and the Security Trustee, as amended, replaced or supplemented from time to time.

Margin has the meaning given to it in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

MBL Group means Macquarie Bank and its subsidiaries.

MBL Seller means the Bank.

MBL Seller Powers of Attorney has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Transfer of title to the Mortgage Loan Rights to the Covered Bond Guarantor*" of this Prospectus.

Minimum Redemption Amount means in respect of a Series or Tranche of Covered Bonds, the amount (if any) specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Moody's means Moody's Investors Service Pty Limited ABN 61 003 399 657 and includes any successor to its rating business.

Moody's Specified Rating means a short-term deposit rating of at least P-1 by Moody's.

Mortgage in relation to a Mortgage Loan means each registered mortgage over Land situated in any State or Territory of Australia and appearing on the relevant Seller's records as securing, amongst other things, the repayment of that Mortgage Loan and the payment of interest and all other moneys in respect of that Mortgage Loan notwithstanding that by its terms the mortgage may secure other liabilities to the relevant Seller. If, at any time after the date of the corresponding Transfer Proposal a mortgage is substituted or added as security for an existing Mortgage then, with effect from the date of such addition or substitution the definition of Mortgage will mean the substituted mortgage or include the additional mortgage, as the case may be.

Mortgage Documents in relation to a Mortgage Loan means:

(a) the Loan Agreement (other than the Mortgage) relating to that Mortgage Loan;

(b) the original or duplicate Mortgage documents in relation to that Mortgage Loan (including any document evidencing any substituted or additional Mortgage);

(c) the Certificate of Title or other indicia of title (if any) in respect of the Land the subject of the Mortgage in relation to that Mortgage Loan;

(d) the original or duplicate of the Collateral Securities documents (other than the Insurance Policies) in relation to that Mortgage Loan;

(e) any Insurance Policy (or certificate of currency for the Insurance Policy) held by the relevant Seller in respect of the Mortgage or the Collateral Securities in relation to that Mortgage Loan;

(f) any Priority Agreement or its equivalent in writing entered into in connection with the Mortgage or the Collateral Securities in relation to that Mortgage Loan;

(g) all other documents required to evidence the relevant Seller's or the Covered Bond Guarantor's interest in the above Land, the above Mortgage and the above Collateral Securities; and

(h) any amendment or replacement of or to any of the foregoing such documents which is entered into, and under which rights arise, whether before or after the Cut-Off Date.

Mortgage Insurance Policy means any mortgage insurance policy in force in respect of a Mortgage Loan, a Mortgage or a Collateral Security which forms part of the Assets of the Trust.

Mortgage Loan means each mortgage loan transferred or to be transferred (as the case may be) to the Covered Bond Guarantor and referred to in a Transfer Proposal (if issued), and in relation to a Seller, means a Mortgage Loan transferred to the Covered Bond Guarantor by that Seller.

Mortgage Loan Rights means each of the following items (together with all rights, title and interest in each of those items) transferred, or which may be transferred, as the case may be, in accordance with the Mortgage Sale Agreement to the Covered Bond Guarantor:

(a) each Mortgage Loan identified in the schedule accompanying the Transfer Proposal;

(b) all Other Loans in existence from time to time in relation to the above Mortgage Loans;

(c) all Mortgages in existence from time to time in relation to the above Mortgage Loans;

(d) all Collateral Securities in existence from time to time in relation to the above Mortgage Loans;

(e) the benefit of all Mortgage Insurance Policies in existence from time to time in relation to the above Mortgage Loans;

(f) all Mortgage Receivables in existence from time to time in relation to the above Mortgage Loans;

(g) all Mortgage Documents in existence from time to time in relation to the above Mortgage Loans; and

(h) in the case of a Transfer Proposal from the MBL Seller only, the benefit of each net payment amount actually received by the Bank under or in connection with each Risk Sharing Agreement to the extent that such amount is reasonably determined by the Bank to be referable to a loss incurred on that Mortgage Loan.

Mortgage Loan Scheduled Payment means in respect of a Mortgage Loan, the amount which the applicable Mortgage Documents require a Borrower to pay on a Mortgage Loan Scheduled Payment Date in respect of such Mortgage Loan.

Mortgage Loan Scheduled Payment Date means, in relation to any Mortgage Loan, the day on which a Borrower is required to make a payment of interest and, if applicable, principal in accordance with the Mortgage Documents applicable to such Mortgage Loan.

Mortgage Loan System means the electronic and manual reporting database and record keeping system used by the Servicer to monitor Mortgage Loans, as updated and amended or replaced from time to time.

Mortgage Loan Transfer Notice means a notice in or substantially in the form set out in schedule 4 to the Mortgage Sale Agreement served on the Covered Bond Guarantor by a Seller and (where relevant) the Origination Manager or the Bank offering to purchase certain Mortgage Loan Rights specified in the notice.

Mortgage Receivables in relation to a Mortgage Loan means all moneys, present and future, actual or contingent, owing at any time in respect of or in connection with that Mortgage Loan under the corresponding Mortgage Documents, including all principal, interest, reimbursable costs and expenses and any other amounts incurred by or payable to the relevant Seller (including any payments made by the relevant Seller on behalf of the Borrower in relation to that Mortgage Loan) irrespective of whether:

(a) such amounts become due and payable before or after the Cut-Off Date; and

(b) such amounts relate to advances made or other financial accommodation provided by the relevant Seller to the Borrower before or after the Cut-Off Date.

Mortgage Sale Agreement means the mortgage sale agreement entered into on or about the Programme Date, between the Issuer, the MBL Seller, the PUMA Funds Seller, the Servicer, the Bank, the Covered Bond Guarantor, the Trust Manager, the Origination Manager and the Security Trustee, as amended, replaced or supplemented from time to time.

MSL means Macquarie Securitisation Limited ABN 16 003 297 336.

N Covered Bond means a Registered Covered Bond in definitive form made out in the name of a specified N Covered Bondholder issued or to be issued by the Issuer in the form of a German "Namensschuldverschreibung" and having the N Covered Bond Conditions applicable to it annexed thereto and subject to the provisions of the related N Covered Bond Agreement.

N Covered Bond Agreement means in respect of any N Covered Bond, an agreement between the Issuer, the Covered Bond Guarantor, the Trust Manager and the Bond Trustee.

N Covered Bond Conditions means the terms and conditions of each N Covered Bond annexed thereto.

N Covered Bondholder means the holder of an N Covered Bond.

National Consumer Credit Protection Laws means each of:

(a) the NCCP;

(b) the National Consumer Credit Protection (Fees) Act 2009 (Cth);

(c) the Transitional Act;

(d) any acts or other legislation enacted in connection with any of the acts set out in paragraphs (a) to (c) above, the NCCP Regulations and any other regulations made under any of the acts set out in paragraphs (a) to (c) above; and

(e) Division 2 of Part 2 of the Australian Securities and Investments Commission Act 2001, so far as it relates to the obligations in respect of an Australian Credit Licence issued under the NCCP or registration as a Registered Person under the Transitional Act.

NCCP means National Consumer Credit Protection Act 2009 (Cth) including the National Credit Code annexed to that Act.

NCCP Regulations means the National Consumer Credit Protection Regulations 2010 (Cth).

Negative Carry Factor has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

negligence of the Covered Bond Guarantor or the Security Trustee means the negligence of the Covered Bond Guarantor or the Security Trustee, as the case may be, and of its officers, employees, agents and any other person where the Covered Bond Guarantor or the Security Trustee, as the case may be, is liable for the acts or omissions of such other person under the terms of the relevant Programme Document.

Net Trust Income in relation to the Trust for a Financial Year means the amount calculated in accordance with the Establishment Deed for the Trust for the Financial Year.

New Secured Creditor means any person which becomes a Secured Creditor after the Programme Date pursuant to and in accordance with the Security Deed.

Nominee means a Seller, the Bank or any entity nominated by:

(a) the Bank (including in its capacity as Demand Loan Provider) to:

  (i) receive a distribution of In Specie Mortgage Loan Rights by the Covered Bond Guarantor or the Security Trustee; or

  (ii) purchase Mortgage Loan Rights in accordance with clause 5 of the Mortgage Sale Agreement or clause 13.8 of the Security Deed; or

(b) the Servicer to purchase Mortgage Loan Rights in accordance with clause 8.4 of the Mortgage Sale Agreement.

Non-Banking Group means MGL, Macquarie Financial Limited and its subsidiaries, Macquarie International Finance Limited and its subsidiaries and Macquarie Asset Management Holdings Pty Ltd and its subsidiaries.

Non-Forward Starting Covered Bond Swap has the meaning given to it in the section "*Overview of the Principal Documents – Swap Agreements – Covered Bond Swap Agreements*" in this Prospectus.

Non-PPSA Secured Property means all Secured Property other than any PPSA Secured Property.

Notice to Pay means the notice to pay served by the Bond Trustee on the Covered Bond Guarantor (and copied to the Trust Manager and the Security Trustee) pursuant to the Covered Bond Guarantee and in accordance with the Bond Trust Deed which requires the Covered Bond Guarantor to make payments of Guaranteed Amounts when they become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

NSS means the new safekeeping structure for registered global securities which are intended to constitute eligible collateral for Eurosystem monetary policy operations.

Objected Modification has the meaning given to it in Condition 10.2.

Observation Period has the meaning given to it in Condition 4.2(e).

Omnibus Proxy means the omnibus proxy sent by DTC to the Issuer as soon as possible after the record date in accordance with DTC's usual procedures.

Original Due for Payment Date means the date on which the Scheduled Payment Date in respect of such Guaranteed Amount occurs or, if later, the day which is two Business Days following the date of service of a Notice to Pay on the Covered Bond Guarantor in respect of such Guaranteed Amount or if the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) specified that an Extended Due for Payment Date is applicable to the relevant Series of Covered Bonds, the Interest Payment Dates that would have applied if the Final Maturity Date of such Series of Covered Bonds had been the Extended Due for Payment Date.

Origination Manager means Macquarie Securitisation Limited ABN 16 003 297 336, or any other person from time to time appointed to perform the role of trust manager in respect of the PUMA Programme.

Outstanding or **outstanding** means, in relation to the Covered Bonds of all or any Series, all the Covered Bonds of such Series issued other than:

(a) those Covered Bonds which have been redeemed in full and cancelled pursuant to the Bond Trust Deed and/or Condition 5;

(b) those Covered Bonds in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with Condition 5 has occurred and the redemption moneys (including all interest payable thereon) have been duly paid to the Bond Trustee or (other than in the case of any A$ Registered Covered Bonds) to the Principal Paying Agent in the manner provided in the Principal Agency Agreement (and where appropriate notice to that effect has been given to the relative Covered Bondholders in accordance with Condition 12 and remain available for payment against presentation of the relevant Covered Bonds and/or Coupons;

(c) those Covered Bonds which have been purchased and cancelled in accordance with Condition 5.8 and any equivalent provision in the relevant Conditions;

(d) those Covered Bonds which have become void or in respect of which claims have become prescribed, in each case under Condition 8;

(e) those mutilated or defaced Covered Bonds which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 11;

(f) (for the purpose only of ascertaining the Principal Amount Outstanding of the Covered Bonds outstanding and without prejudice to the status for any other purpose of the relevant Covered Bonds) those Covered Bonds which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 11; and

(g) any Global Covered Bond to the extent that it will have been exchanged for definitive Covered Bonds or another Global Covered Bond pursuant to its provisions, the provisions of the Bond Trust Deed and the Principal Agency Agreement,

provided that for each of the following purposes, namely:

(h) the right to attend and vote at any meeting of the holders of the Covered Bonds of any Series, to give instruction or direction to the Bond Trustee and for the purposes of a resolution in writing as envisaged by paragraph 21 of schedule 4 to the Bond Trust Deed;

(i) the determination of how many and which Covered Bonds of any Series are for the time being outstanding for the purposes of the provisions in the Bond Trust Deed relating to the taking of any action following an Issuer Event of Default or service of a Covered Bond Guarantee Acceleration Notice or directing the Security Trustee to take any action under the Security Deed, Conditions 9 and 10 and paragraphs 2, 5, 6, 7 and 10 of schedule 4 to the Bond Trust Deed;

(j) any discretion, power or authority (whether contained in the Bond Trust Deed or vested by operation of law) which the Bond Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the holders of the Covered Bonds of any Series; and

(k) the determination by the Bond Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the holders of the Covered Bonds of any Series,

those Covered Bonds of the relevant Series (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer or the Covered Bond Guarantor, any Subsidiary or holding company of any of them or any other Subsidiary of any such holding company, in each case as beneficial owner, will (unless and until ceasing to be so held) be deemed not to remain outstanding except in the case of the Issuer or the Covered Bond Guarantor, any Subsidiary or holding company of any of them or any other Subsidiary of any such holding company (each a **Relevant Person**) holding, by itself or together with any other Relevant Person, all of the Covered Bonds then outstanding or, in respect of a Series of Covered Bonds holds all Covered Bond of such Series.

Partial Portfolio has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*" in this Prospectus.

Paying Agents means the Principal Paying Agent, the U.S. Paying Agent and the EU Paying Agent and any other paying agent appointed pursuant to the Principal Agency Agreement, including any additional or successor paying agents.

Payment Redirection Event has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Collections*" in this Prospectus.

Perfection of Title means, in relation to a Mortgage or Mortgage Loan forming part of the Assets of the Trust, the date following the occurrence of a Perfection of Title Event on which the legal title to that Mortgage or Mortgage Loan, as the case may be, has been perfected in the name of the Covered Bond Guarantor in accordance with the Mortgage Sale Agreement.

Perfection of Title Event has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Transfer of title to the Mortgage Loan Rights to the Covered Bond Guarantor*" of this Prospectus.

Permanent Bearer Global Covered Bond means a global bearer covered bond substantially in the form set out in part 2 of schedule 2 to the Bond Trust Deed together with the copy of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) annexed to the global bearer covered bond and with such modifications (if any) agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the Relevant Dealer(s), comprising some or all of the Covered Bonds of the same Series, issued by the Issuer and the Relevant Dealer(s) relating to the Programme, the Principal Agency Agreement and the Bond Trust Deed in exchange for the whole or part of any Temporary Bearer Global Covered Bond issued in respect of such Covered Bonds.

Post-Enforcement Priority of Payments has the meaning given to it in the section "*Cashflows - Post-Enforcement Priority of Payments*" in this Prospectus.

Potential Covered Bond Guarantor Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Covered Bond Guarantor Event of Default.

Potential Issuer Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Issuer Event of Default.

PPSA means the Personal Property Securities Act 2009 (Cth).

PPSA Secured Property means all Secured Property which is "personal property" for the purposes of the PPSA and not subject to any exclusion from the application of the PPSA (including pursuant to section 8 of the PPSA).

PPSA Start Date means 30 January 2012.

Pre-Acceleration Income Priority of Payments has the meaning given to it in the section "*Cashflows - Pre-Acceleration Income Priority of Payments*" in this Prospectus.

Pre-Acceleration Principal Priority of Payments has the meaning given to it in the section "*Cashflows - Pre-Acceleration Principal Priority of Payments*" in this Prospectus.

Pre-Acceleration Priority of Payments means the Pre-Acceleration Principal Priority of Payments and/or the Pre-Acceleration Income Priority of Payments, as the context requires.

Pre-Maturity Demand Loan Advance means a Demand Loan Advance requested by the Trust Manager in accordance with the Demand Loan Agreement to rectify a breach of the Pre-Maturity Test in accordance with the Establishment Deed.

Pre-Maturity Ledger means the ledger maintained by the Trust Manager pursuant to the Management Agreement to record the credits and debits of moneys available to repay any Series of Hard Bullet Covered Bonds on the Final Maturity Date thereof if the Pre-Maturity Test in respect of such Series of Hard Bullet Covered Bonds has been breached.

Pre-Maturity Test has the meaning given to it in the section "*Credit Structure – Pre-Maturity Test*" in this Prospectus.

Pre-Maturity Test Date means each Local Business Day during the Pre-Maturity Test Period prior to the occurrence of an Issuer Event of Default and/or the occurrence of a Covered Bond Guarantor Event of Default.

Pre-Maturity Test Period means, in relation to a Series of Hard Bullet Covered Bonds, the period commencing on the day 12 months prior to the Final Maturity Date of the Series and ending on the Final Maturity Date of the Series.

Pricing Supplement means the Pricing Supplement prepared in relation to each Series or Tranche of Exempt Covered Bonds issued under the Programme (substantially in the form set out in the Prospectus) and giving details of that Series or Tranche.

Principal Agency Agreement means the agency agreement dated on or about the Programme Date as amended and/or supplemented and/or restated from time to time and made between the Issuer, the Trust Manager, the Covered Bond Guarantor, the Bond Trustee, the Principal Paying Agent, the EU Paying Agent, the U.S. Paying Agent, the Transfer Agent, the U.S. Transfer Agent, the Exchange Agent, the Registrar and the U.S. Registrar.

Principal Amount Outstanding in respect of a Covered Bond means the outstanding principal amount of that Covered Bond.

Principal Collections in relation to a Collection Period means the amount which is either:

(a) zero, where the Finance Charge Collections for that Collection Period exceed the Collections for that Collection Period; or

(b) in all other cases, the Collections for that Collection Period less the Finance Charge Collections for that Collection Period.

Principal Ledger means the ledger of such name maintained by the Trust Manager pursuant to the Management Agreement to record the credits of certain items described in the definition of Available Principal Amount and debits in accordance with the terms of the Establishment Deed.

Principal Paying Agent has the meaning given to it in the section "*Programme Overview – The Parties*" in this Prospectus.

Priorities of Payments means the Pre-Acceleration Income Priority of Payments, the Pre-Acceleration Principal Priority of Payments, the Guarantee Priority of Payments and the Post-Enforcement Priority of Payments, and each a **Priority of Payments**.

Priority Agreement means any agreement between the relevant Seller and a subsequent mortgagee of Land the subject of a Mortgage or Collateral Security:

(a) under which the relevant Seller and the subsequent mortgagee agree to a ranking of their respective securities over the said Land which provides for the relevant Seller's security to be a first ranking security to an agreed amount and the subsequent mortgagee's security to be a second ranking security; and

(b) whose sole subject matter is the agreement as to ranking referred to in paragraph (a) above of this definition and matters ordinarily incidental thereto.

Privacy Act means the Privacy Act 1988 (Cth).

PRM means the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook.

Programme means the covered bond programme established by the Bank.

Programme Agreements means the Regulation S Programme Agreement and the U.S. Distribution Agreement and each, a **Programme Agreement**.

Programme Date means on or about 10 June 2015.

Programme Documents means the following documents:

(a) Mortgage Sale Agreement (and any documents entered into (including but not limited to any document setting out particulars of any Mortgage Loan Rights sold by a Seller to the Covered Bond Guarantor) pursuant to the Mortgage Sale Agreement);

(b) Servicing Deed;

(c) Cover Pool Monitor Agreement;

(d) Intercompany Loan Agreement;

(e) Demand Loan Agreement;

(f) Establishment Deed;

(g) Management Agreement;

(h) Interest Rate Swap Agreement;

(i) each Covered Bond Swap Agreement;

(j) Account Bank Agreement;

(k) Security Deed (and any documents entered into pursuant to the Security Deed, including each Deed of Accession);

(l) Bond Trust Deed;

(m) each Programme Agreement;

(n) each Agency Agreement;

(o) each Subscription Agreement (as defined in the Regulation S Programme Agreement and as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement);

(p) each Terms Agreement (as defined in the U.S. Distribution Agreement and as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a terms agreement); and

(q) the Definitions Schedule,

and each document, agreement or deed ancillary or supplemental to any of such documents or any document, agreement or deed specified by the Issuer, the Trust Manager, the Covered Bond Guarantor and the Security Trustee as a Programme Document and each a **Programme Document**.

Programme Resolution has the meaning given to it in Condition 10.1.

Prospectus means, at any time, the most recent published information memorandum, offering circular or prospectus, including any supplement thereto, issued by the Issuer in relation to the Programme.

Prospectus Regulation means Regulation (EU) No 2017/1129 (as amended).

PUMA Funds means the warehouse fund known as "Mac Fund One" established in accordance with the PUMA Trust Deed and/or such other Fund (as defined in the PUMA Trust Deed) as agreed between the Issuer, the Trust Manager and the Covered Bond Guarantor (acting on the directions of the Trust Manager) and each, a **PUMA Fund**.

PUMA Funds Seller means Perpetual Limited ABN 86 000 431 827 in its capacity as trustee of the PUMA Funds.

PUMA Programme means the securitisation programme established pursuant to the PUMA Trust Deed.

PUMA Trust Deed means the Trust Deed dated 13 July 1990 made between the Trustee and the person referred to therein as the "Founder", as amended, replaced or supplemented from time to time.

Purchaser means:

(a) the Bank, the PUMA Funds Seller or any third party to whom the Covered Bond Guarantor offers to sell Selected Mortgage Loan Rights; and/or

(b) a Nominee,

as the context requires.

Put Notice has the meaning given to it in Condition 5.4.

QIB has the meaning given to it in Condition 2.10.

Qualified Institution means a bank:

(a) which pays any relevant interest in the ordinary course of its business;

(b) whose short-term deposit rating is at least P-1 by Moody's; and

(c) whose:

(i) short-term, unsecured, unsubordinated and unguaranteed debt obligations are rated at least F1 by Fitch; or

(ii) long-term, unsecured, unsubordinated and unguaranteed debt obligations are rated at least A- by Fitch,

or, in the case of paragraphs (b) and (c) above of this definition, such other lower rating as Fitch and/or Moody's may require in order to maintain the then current ratings of the Covered Bonds.

Rating Affirmation Notice in relation to an event or circumstance and a Rating Agency, means a notice in writing from the Issuer to the Covered Bond Guarantor and the Bond Trustee (copied to the Sellers, the Origination Manager and each Rating Agency) confirming that it has notified that Rating Agency of the event or circumstance and that the Issuer is reasonably satisfied following discussions with that Rating Agency that the event or

circumstance, as applicable, will not result in a reduction, qualification or withdrawal of the ratings then assigned by that Rating Agency to the Covered Bonds.

Rating Agencies means Moody's and Fitch or their successors, to the extent they provide ratings in respect of the Covered Bonds, and each a **Rating Agency**.

RBA means the Reserve Bank of Australia.

Receiver means any person or persons appointed (and any additional person or persons appointed or substituted pursuant thereto) by the Security Trustee as a receiver, manager, or receiver and manager of the property charged or secured under the Security Deed.

Record Date has the meaning given to it in Condition 6.2.

Recoveries in relation to a Mortgage Loan means all amounts recovered in respect of the principal of that Mortgage Loan and the related Mortgage and Collateral Securities that was part (or the whole) of a Defaulted Amount.

Register means the register of holders of the Registered Covered Bonds maintained by the Registrar.

Reference Index means:

(a) the quarterly index of increases or decreases in established house prices (determined on the basis of the weighted average of house prices in 8 capital cities), issued by the Australian Bureau of Statistics, Australia's official statistical organisation, in relation to established house prices in Australia; or

(b) a suitably widely recognised property price index selected by the Trust Manager (in its sole discretion).

Reference Indexed Valuation means on any day in relation to any Land, the Latest Valuation of that Land as increased or decreased as appropriate by the increase or decrease in the Reference Index since the date of the Latest Valuation.

Registered Covered Bonds means Covered Bonds (other than the A$ Registered Covered Bonds) issued in registered form (being Registered Global Covered Bonds and/or Registered Definitive Covered Bonds, as the case may be).

Registered Definitive Covered Bond means, as the context may require, a Regulation S Definitive Covered Bond or a Rule 144A Definitive Covered Bond.

Registered Global Covered Bond has the meaning given to it in Condition 2.1.

Registered Person has the meaning given to it in the Transitional Act.

Registrar means Deutsche Bank Luxembourg S.A. or any other person from time to time appointed to perform the role of registrar under the Principal Agency Agreement.

Regulation S means Regulation S under the Securities Act.

Regulation S Covered Bond means a Covered Bond represented by a Regulation S Global Covered Bond and/or a Regulation S Definitive Covered Bond, as the context may require.

Regulation S Definitive Covered Bond means a Definitive Covered Bond sold to non-U.S. persons outside the United States in reliance on Regulation S.

Regulation S Global Covered Bond means a Global Covered Bond representing Covered Bonds sold to non-U.S. persons outside the United States in reliance on Regulation S and substantially in the form set out in part 6 of schedule 2 to the Bond Trust Deed with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the Relevant Dealer(s) or Lead Manager (in the case of syndicated issues).

Regulation S Programme Agreement means the programme agreement dated on or about the Programme Date, entered into by the Issuer, the Covered Bond Guarantor, the Arranger and the Dealers, as amended, restated, supplemented, replaced or novated from time to time, to agree a basis upon which the Dealer(s) or any of them

may from time to time agree to subscribe for, offer or place Covered Bonds (other than Rule 144A Covered Bonds).

Regulatory Event means that the value of assets in cover pools securing covered bonds issued by the Issuer exceeds 8 per cent., or such other percentage as is prescribed by the regulations made under the Australian Banking Act, of the value of the Issuer's assets in Australia for the purposes of sections 28 and 31D(2) of the Australian Banking Act or such other event as determined by the Issuer and notified to the Covered Bond Guarantor and the Trust Manager.

Related Body Corporate in relation to a body corporate means a body corporate which is related to the first mentioned body corporate by virtue of division 6 of part 1.2 of the Australian Corporations Act.

Relevant Date has the meaning given to it in Condition 7.

Relevant Dealers means, in the case of an issue of Covered Bonds being, or intended to be, subscribed by more than one Dealer, all such Dealers.

Relevant Financial Centre means, in relation to a Series of Covered Bonds, the Relevant Financial Centre as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Relevant Spread has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Reporting Statement means the statement (which may be in electronic form) prepared by the Servicer in accordance with the Servicing Deed in a form agreed by the Trust Manager, the Servicer and the Covered Bond Guarantor.

Representations and Warranties means the representations and warranties set out in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Representations and Warranties*" in this Prospectus.

Required Current Principal Balance Amount has the meaning given to it in "*Overview of the Principal Documents – Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*" in this Prospectus.

Required Redemption Amount means, in respect of a Series of Covered Bonds, the amount calculated in accordance with the following formula:

$$A \times \left(1 + \left(B \times \frac{C}{365}\right)\right)$$

where,

A = the Principal Amount Outstanding of the relevant Series of Covered Bonds;

B = the Negative Carry Factor; and

C = days to maturity of the relevant Series of Covered Bonds.

Reserve Fund means the reserve fund established by the Covered Bond Guarantor (or the Trust Manager on its behalf) in the GIC Account which will be credited with the proceeds of the Available Income Amount or a Term Advance or a Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount in accordance with the applicable Priority of Payments.

Reserve Fund Demand Loan Advance means a Demand Loan Advance requested by the Trust Manager in accordance with the Demand Loan Agreement to fund the Reserve Fund up to the Reserve Fund Required Amount on a Distribution Date.

Reserve Fund Required Amount means:

(a) if, and for so long as, the Issuer's credit rating or deposit rating, as applicable, is equal to or higher than the Moody's Specified Rating and the Fitch Specified Rating, nil or such other amount as the Issuer will direct the Covered Bond Guarantor from time to time; or

(b) if, and for so long as, the Issuer's credit rating or deposit rating, as applicable, is below the Moody's Specified Rating but is equal to or higher than the Fitch Specified Rating, an amount equal to the Australian Dollar Equivalent of amounts of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place, the aggregate amounts due to each Covered Bond Swap Provider in the immediately following month; and/or (ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place, the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following month; and (iii) an amount equal to one quarter of the anticipated aggregate annual amount payable in respect of the items specified in paragraphs (a) to (d) (inclusive) of the Pre-Acceleration Income Priority of Payments and, if applicable, paragraph (e) of the Pre-Acceleration Income Priority of Payments, provided that in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated; or

(c) if, and for so long as, the Issuer's credit rating or deposit rating, as applicable, is below the Fitch Specified Rating but is equal to or higher than the Moody's Specified Rating, an amount equal to the Australian Dollar Equivalent of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place, the aggregate amounts due to each Covered Bond Swap Provider in the immediately following three months; and/or (ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place, the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following three months; and (iii) an amount equal to the anticipated aggregate amount payable in the immediately following three months in respect of the items specified in paragraphs (a) to (d) (inclusive) of the Pre-Acceleration Income Priority of Payments and, if applicable, paragraph (e) of the Pre-Acceleration Income Priority of Payments provided, that in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated; or

(d) if, and for so long as, the Issuer's credit rating or deposit rating, as applicable, is less than both the Moody's Specified Rating and the Fitch Specified Rating, the higher of the amounts determined in accordance with paragraphs (b) and (c) above of this definition.

Reserve Ledger means the ledger of such name maintained by the Trust Manager pursuant to the Management Agreement, to record the crediting of amounts to the Reserve Fund in accordance with the terms of the Establishment Deed and the debiting of such Reserve Fund in accordance with the terms of the Programme Documents.

Risk Sharing Agreements has the meaning given to it in the section "*Risk Factors - Risk Sharing Agreements*" of this Prospectus.

Risk Participant has the meaning given to it in the section "*Risk Factors - Risk Sharing Agreements*" of this Prospectus.

Rule 144A means Rule 144A under the Securities Act.

Rule 144A Covered Bond means either a Covered Bond represented by a Rule 144A Global Covered Bond and/or a Rule 144A Definitive Covered Bond, as the context may require.

Rule 144A Definitive Covered Bond means a Registered Definitive Covered Bond sold in the United States to QIBS pursuant to Rule 144A.

Rule 144A Global Covered Bond means a Registered Global Covered Bond representing Covered Bonds sold in the United States to QIBs pursuant to Rule 144A and substantially in the form set out in part 6 of schedule 2 to the Bond Trust Deed with such modifications (if any) as may be agreed between the Issuer, the U.S. Paying Agent, the Bond Trustee and the Relevant Dealer(s) or the Lead Manager (in the case of syndicated issues).

Sale Proceeds means the cash proceeds realised from the sale of Selected Mortgage Loan Rights.

Scheduled Balance in relation to a Mortgage Loan means the amount that would be owing on that Mortgage Loan at the date of determination if the Borrower had made, prior to that date, the minimum payments required under the Mortgage Loan.

Scheduled Interest means an amount equal to the amount in respect of interest which would have been due and payable under the Covered Bonds on each Interest Payment Date as specified in Condition 4 (but excluding any additional amounts relating to premiums, default interest or interest upon interest, the **Excluded Scheduled Interest Amounts**) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a Covered Bond Guarantee Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Final Maturity Date or, if the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) specify that an Extended Due for Payment Date is applicable to the relevant Covered Bonds, as if the maturity date of the Covered Bonds had been the Extended Due for Payment Date (but taking into account any principal repaid in respect of such Covered Bonds or any Guaranteed Amounts paid in respect of such principal prior to the Extended Due for Payment Date), less any additional amounts the Issuer would be obliged to pay as a result of any gross-up in respect of any withholding or deduction made under the circumstances set out in Condition 7.

Scheduled Payment Date means in relation to payments under the Covered Bond Guarantee, each Interest Payment Date or the Final Maturity Date as if the Covered Bonds had not become due and repayable prior to their Final Maturity Date.

Scheduled Principal means an amount equal to the amount in respect of principal which would have been due and repayable under the Covered Bonds on each Interest Payment Date or the Final Maturity Date (as the case may be) as specified in Condition 5.1 (but excluding any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums or default interest (the **Excluded Scheduled Principal Amounts**) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a Covered Bond Guarantee Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Final Maturity Date or, if the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) specify that an Extended Due for Payment Date is applicable to the relevant Covered Bonds, as if the maturity date of the Covered Bonds had been the Extended Due for Payment Date.

Second Determination Date has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Second Layer of Collateral Securities in relation to a Mortgage Loan means all Collateral Securities in respect of that Mortgage Loan which do not constitute the First Layer of Collateral Securities for that Mortgage Loan.

Secured Creditors means the Security Trustee (in its own capacity and on behalf of the other Secured Creditors), the Covered Bond Guarantor (in its own capacity), the Bond Trustee (in its own capacity and on behalf of the Covered Bondholders), the Covered Bondholders, the Couponholders, the Issuer, each Seller, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Account Bank, the Swap Providers, the Trust Manager, the Agents, the Cover Pool Monitor and any other person who becomes a Secured Creditor pursuant to the Security Deed, and each, a **Secured Creditor**.

Secured Obligations means all amounts (whether actual or contingent, present or future) which at any time for any reason or circumstance in connection with any Programme Document that relates to, or applies to, the Trust or the Security Deed or any transactions contemplated by any of them (insofar as such transactions relate to, or apply to, the Trust), whatsoever whether at law, in equity, under statute or otherwise:

(a) are payable, are owing but not currently payable, are contingently owing, or remain unpaid by the Covered Bond Guarantor to the Security Trustee on its own account or for the account of the Secured Creditors or to any Secured Creditor or to any Receiver;

(b) have been advanced or paid by the Security Trustee on its own account or for the account of the Secured Creditors or by any Secured Creditor:

  (i) at the express request of the Covered Bond Guarantor; and

  (ii) on behalf of the Covered Bond Guarantor;

(c) which the Security Trustee on its own account or for the account of the Secured Creditors or any Secured Creditor is liable to pay by reason of any act or omission of the Covered Bond Guarantor or has paid or advanced in the protection or maintenance of the Secured Property or the Security and the charge created by the Security Deed following an act or omission by the Covered Bond Guarantor; or

(d) are reasonably foreseeable as likely, after that time, to fall within any of paragraphs (a), (b) or (c) above of this definition,

and references to **Secured Obligations** includes references to any of them.

This definition applies:

(i) irrespective of the capacity in which the Covered Bond Guarantor, the Security Trustee or any Secured Creditor became entitled or is liable in respect of the amount concerned;

(ii) whether the Covered Bond Guarantor, the Security Trustee or any Secured Creditor is liable as principal debtor or surety or otherwise;

(iii) whether the Covered Bond Guarantor is liable alone or jointly, or jointly and severally with another person;

(iv) whether the Security Trustee or any Secured Creditor is the original obligee or an assignee or a transferee of the Secured Obligations and whether or not:

(A) the assignment or transfer took place before or after the delivery of the Security Deed; or

(B) the Covered Bond Guarantor consented to or was aware of the assignment or transfer; or

(C) the assigned or transferred obligation was secured; or

(v) whether the Security Trustee or any Secured Creditor is the original Security Trustee or an original Secured Creditor or an assignee or a transferee of the original Security Trustee or an original Secured Creditor, and whether or not the Covered Bond Guarantor consented to or was aware of the assignment or transfer.

Secured Property means all of the present and after acquired property, undertaking, rights and other assets of the Trust held by the Covered Bond Guarantor from time to time including all Assets of the Trust, the benefit of all covenants, agreements, undertakings, representations, warranties and other choses in action in favour of Covered Bond Guarantor under the Programme Documents but does not include any of the foregoing situated in the State of New South Wales at the time of execution and delivery of the Security Deed.

Securities Act means the United States Securities Act of 1933.

Security means the Security Interests over the Secured Property granted pursuant to the Security Deed.

Security Deed means the security deed dated on or about the Programme Date and made between, among others, the Covered Bond Guarantor, the Trust Manager, the Servicer, the Security Trustee, the Issuer, the PUMA Funds Seller, the MBL Seller, the Intercompany Loan Provider, the Demand Loan Provider, the Interest Rate Swap Provider, the Account Bank and the Bank, as amended, replaced or supplemented from time to time.

Security Interest means any mortgage, security interest, charge, encumbrance, pledge, lien, hypothecation, assignment by way of security or other security interest or title retention arrangement and any agreement, trust or arrangement having substantially the same economic or financial effect as any of the foregoing (other than a lien arising in the ordinary course of business or by operation of law). It also includes a **security interest** within the meaning of section 12 of the PPSA, other than an interest in personal property that would not be a security interest but for section 12(3) of the PPSA.

Security Trust means the trust formed under the Security Deed.

Security Trustee means P.T. Limited ABN 67 004 454 666 in its capacity as security trustee of the Security Trust together with any additional security trustee appointed from time to time in accordance with the terms of the Security Deed.

Selected Mortgage Loan Rights Offer Notice means a notice in or substantially in the form of schedule 3 of the Mortgage Sale Agreement from the Covered Bond Guarantor served on the Bank offering to sell Selected Mortgage Loan Rights to the Bank.

Selected Mortgage Loan Rights means Mortgage Loan Rights to be sold by the Covered Bond Guarantor pursuant to the terms of the Establishment Deed having in aggregate the Required Current Principal Balance Amount.

Seller means:

(a) the PUMA Funds Seller; and/or

(b) the MBL Seller,

as the context requires, and a reference to the **Sellers** is to both of them and a reference to the **relevant Seller** shall, in relation to a Mortgage Loan and related Mortgage Loan Rights, be a reference to whichever one of the PUMA Funds Seller or the MBL Seller is specified as the seller in the Transfer Proposal in relation to the transfer of such Mortgage Loan and Mortgage Loan Rights to the Covered Bond Guarantor.

Senior Demand Loan Component has the meaning given to it in the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus.

Series means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are:

(a) expressed to be consolidated and form a single series; and

(b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Series Reserved Matter has the meaning given to it in Condition 10.4.

Servicer means MSL in its capacity as servicer under the Servicing Deed or such other servicer appointed pursuant to the Servicing Deed from time to time.

Servicer Default has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Removal or resignation of the Servicer*" in this Prospectus.

Services means the services to be performed by the Servicer in accordance with the Servicing Deed.

Servicing Deed means the Servicing Deed entered into on or about the Programme Date, between the Covered Bond Guarantor, the Trust Manager, the Servicer, the Issuer, the MBL Seller, the Bank, the PUMA Funds Seller, the Origination Manager and the Security Trustee, as amended, replaced or supplemented from time to time.

Servicing Guidelines means the relevant written guidelines policies and procedures established by the Servicer for servicing mortgage loans recorded on the Mortgage Loan System, including the Mortgages Loans, as amended or updated in writing from time to time.

Servicing Standards at any time means the relevant standards and practices set out in the then Servicing Guidelines and, to the extent that a servicing function is not covered by the Servicing Guidelines, the standards of a prudent lender in the business of making retail home loans.

Settlement Amount means A$100.

Settlement Date in relation to a Mortgage Loan means the date on which an agreement between the relevant Seller and a Borrower for the making of that Mortgage Loan was made.

Specified Currency means subject to any applicable legal or regulatory restrictions, Australian Dollars, euro, Sterling, U.S. dollars and such other currency or currencies as may be agreed from time to time by the Issuer, the Relevant Dealer(s), the Principal Paying Agent and the Bond Trustee and specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Specified Denomination means, in relation to a Series or Tranche of Covered Bonds, the Specified Denomination as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Stock Exchange means the London Stock Exchange or any other or further stock exchange(s) on which any Covered Bonds may from time to time be listed or admitted to trading and references to the relevant Stock Exchange will, in relation to any Covered Bonds, be references to the Stock Exchange on which such Covered Bonds are, from time to time, or are intended to be, listed or admitted to trading.

Subordinated Additional Spread means, if applicable, that additional spread payable to the Covered Bond Swap Provider by the Covered Bond Guarantor for the period from the Final Maturity Date to the Extended Due for Payment Date which is identified as "Subordinated Additional Spread" in the relevant Covered Bond Swap.

Subscription Agreement means an agreement supplemental to the Regulation S Programme Agreement (by whatever name called) in or substantially in the form set out in annex 1 of the Programme Agreement or in such other form as may be agreed between the Issuer and the Lead Manager or one or more Dealers (as the case may be).

Subsidiary has the meaning given to it in section 9 of the Australian Corporations Act.

Substitute Servicer at any given time means the entity then appointed as Servicer in accordance with the Servicing Deed.

Substitute Trust Manager at any given time means the entity then appointed as Trust Manager in accordance with the Management Agreement.

Substitution Assets means:

(a) Australian Dollar at call deposits held with an ADI (which is a Qualified Institution) and convertible into cash within two Local Business Days;

(b) Australian Dollar bank accepted bills and certificates of deposit, with a remaining period to maturity of 100 days or less provided that such bank accepted bills and certificates of deposit are issued or guaranteed by a Qualified Institution (other than the Bank) and satisfy the RBA's repurchase requirements for eligible assets that may collateralise covered bonds (if any);

(c) Australian Dollar denominated bonds, notes, debentures or other instruments issued or guaranteed by the Commonwealth of Australia or an Australian state or territory, provided that such investments have a remaining period to maturity of one year or less and which are rated at least Aaa by Moody's and AA- and/or F1+ by Fitch or their equivalents by two other internationally recognised rating agencies; and

(d) any other asset of a kind prescribed in section 31(1) of the Australian Banking Act or by regulation for the purposes of section 31(1)(i) of the Australian Banking Act in respect of which the Issuer has issued a Rating Affirmation Notice,

and, for the avoidance of doubt, does not include any assets of a kind prescribed by regulation for the purposes of section 31(3) of the Australian Banking Act.

Swap Agreement has the meaning given to it in the section "*Overview of the Principal Documents – Swap Agreements*" in this Prospectus.

Swap Agreement Credit Support Annex means a credit support annex entered into between the Covered Bond Guarantor and a Swap Provider in the form of the 1995 ISDA Credit Support Annex (Transfer – English law) to the ISDA Master Agreement, as published by ISDA.

Swap Collateral means at any time, an amount of cash or securities which is paid or transferred by a Swap Provider to the Covered Bond Guarantor as collateral to secure the performance by such Swap Provider of its obligations under the relevant Swap Agreement together with any interest or other income received in respect of such asset and any equivalent of such cash or securities, as applicable.

Swap Collateral Cash Account means the account in the name of the Covered Bond Guarantor held with the Account Bank and maintained subject to the terms of the Account Bank Agreement and the relevant Swap Agreement Credit Support Annex into which cash is deposited by the Interest Rate Swap Provider as collateral to secure the performance by the Interest Rate Swap Provider of its obligations under the Interest Rate Swap Agreement.

Swap Collateral Excluded Amounts means at any time, the amount of Swap Collateral which may not be applied under the terms of the relevant Swap Agreement at that time in satisfaction of the relevant Swap Provider's obligations to the Covered Bond Guarantor, including Swap Collateral which is to be returned or paid to the relevant Swap Provider from time to time in accordance with the terms of the relevant Swap Agreement and ultimately upon termination of the relevant Swap Agreement.

Swap Master Agreement means an agreement between the Covered Bond Guarantor, the Trust Manager, the Security Trustee and a Swap Provider governing Swaps entered into with such Swap Provider in the form of a 2002 Master Agreement, as published by ISDA, together with the schedule thereto and any relevant Swap Agreement Credit Support Annex.

Swap Provider Default means, in relation to a Swap Agreement, the occurrence of an Event of Default (as defined in such Swap Agreement) where the relevant Swap Provider is the Defaulting Party (as defined in such Swap Agreement), other than a Swap Provider Downgrade Event.

Swap Providers means the Interest Rate Swap Provider and the Covered Bond Swap Providers and each, a **Swap Provider**.

Swap Rate means in relation to a Covered Bond or Series of Covered Bonds, the exchange rate specified in the Covered Bond Swap Agreement as detailed in the section "*Overview of the Principal Documents – Swap Agreements – Covered Bond Swap Agreements*" in this Prospectus relating to such Covered Bond or Series of Covered Bonds or, if the Covered Bond Swap Agreement has terminated, the applicable spot rate.

Swaps means the Interest Rate Swaps and the Covered Bond Swaps.

Talons has the meaning given to it in the Conditions.

Tax includes all income tax, withholding tax, stamp, registration and other duties, bank accounts debits tax, GST or other goods and services tax and other taxes, levies, imposts, deductions and charges whatsoever (including, in respect of any duty imposed on receipts or liabilities of financial institutions, any amounts paid in respect of them to another financial institution) together with interest on them and penalties with respect to them (if any) and charges, fees or other amounts made on or in respect of them and **Taxes** or **Taxation** will be construed accordingly.

Tax Act means the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth).

Tax Authority means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world including the ATO.

Tax Jurisdiction has the meaning given to it in Condition 7.

Tax Resident in Australia means a resident of Australia for the purposes of the Tax Act.

Temporary Bearer Global Covered Bond means a temporary bearer global covered bond in the form or substantially in the form set out in Part 1 (Form of Temporary Bearer Global Covered Bond) of schedule 2 to the Bond Trust Deed together with the copy of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) annexed thereto with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the Relevant Dealer(s), comprising some or all of the Covered Bonds of the same series, issued by the Issuer pursuant to the Regulation S Programme Agreement or any other agreement between the Issuer and the Relevant Dealer(s) relating to the Programme, the Principal Agency Agreement and the Bond Trust Deed.

Term Advance Drawdown Request means a request substantially in the form of schedule 2 to the Intercompany Loan Agreement.

Term Advance Notice means a term advance notice substantially in the form of schedule 1 to the Intercompany Loan Agreement.

Term Advances means advances made or to be made by the Intercompany Loan Provider to the Covered Bond Guarantor under the Intercompany Loan Agreement, and each a **Term Advance**.

Terms Agreement means an agreement supplemental to the U.S. Distribution Agreement (by whatever name called) in or substantially in the form set out in an exhibit to the U.S. Distribution Agreement or in such other form as may be agreed between the Issuer and the Lead Manager or one or more Dealers (as the case may be).

Third Party Amounts means each of:

(a) the payments by a Borrower of any fees (including Break Costs) and other charges which are due to a Seller (but not including interest payable on the Mortgage Loans); and

(b) any amount received from a Borrower for the express purpose of payment being made to a third party for the provision of a service (including giving insurance cover) to any of that Borrower, a Seller or the Covered Bond Guarantor,

which amounts, if received by the Covered Bond Guarantor, may be paid daily from moneys on deposit in the GIC Account.

Tranche means Covered Bonds which are identical in all respects (including as to listing).

Transaction Party means any person who is a party to a Programme Document and **Transaction Parties** means some or all of them.

Transfer Agent means Deutsche Bank Luxembourg S.A. or any other person from time to time appointed to perform the role of transfer agent under the Principal Agency Agreement.

Transfer Certificate has the meaning given to it in Condition 2.6.

Transfer Proposal means a notice from:

(a) the PUMA Funds Seller and the Origination Manager to the Covered Bond Guarantor (and copied to the Bond Trustee) in or substantially in the form of part 1 of schedule 1 to the Mortgage Sale Agreement (or in such other form agreed between the PUMA Funds Seller, the Origination Manager and the Covered Bond Guarantor); and/or

(b) the MBL Seller to the Covered Bond Guarantor (and copied to the Bond Trustee) in or substantially in the form of part 2 of schedule 1 to the Mortgage Sale Agreement (or in such other form agreed between the MBL Seller and the Covered Bond Guarantor),

as the context requires.

Transitional Act means the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009 (Cth).

Trust means the trust known as the "MBL Covered Bond Trust" formed under the Establishment Deed.

Trust Accounts means the GIC Account and the Swap Collateral Cash Account, and each a **Trust Account**.

Trust Further Advance has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Further Advances*" in this Prospectus.

Trust Manager means MSL, or any other person from time to time appointed to perform the role of trust manager under the Management Agreement.

Trust Manager Default means the occurrence of any of the following events:

(a) an Insolvency Event occurs in relation to the Trust Manager;

(b) the Trust Manager has breached its obligations as Trust Manager under a Programme Document to which it is expressed to be a party (other than an obligation which depends upon information provided by, or action taken by, the Servicer and the Trust Manager has not received the information, or the action has not been taken, which is necessary for the Trust Manager to perform the obligation) and such breach, as determined by the Security Trustee, acting on the directions of:

(i) the Bond Trustee (subject to the provisions of the Bond Trust Deed), if any Covered Bonds are outstanding, is or, if continued, will be materially prejudicial to the Covered Bondholders; or

(ii) the Majority Secured Creditors, if no Covered Bonds are outstanding, is or, if continued, will be materially prejudicial to the Secured Creditors,

and:

(iii) that breach is not remedied to the Security Trustee's satisfaction within 20 Local Business Days after receipt by the Trust Manager of a notice in writing, from the Security Trustee, requiring it to be remedied; or

(iv) the Trust Manager has not paid compensation to the Covered Bond Guarantor for its loss from such breach in an amount satisfactory to the Security Trustee (acting reasonably);

(c) the Trust Manager fails to direct the Covered Bond Guarantor to make any payment the Covered Bond Guarantor is required to make under the Management Agreement or any other Programme Documents and such failure is not remedied within a period of 5 Local Business Days after the date on which the Trust Manager is notified, or otherwise becomes aware, of the failure; or

(d) any representation, warranty, certification or statement made by the Trust Manager (in its capacity as Trust Manager) in a Programme Document to which it is expressed to be a party, or in any document provided by it in connection with a Programme Document, proves to have been incorrect when made, or is incorrect when repeated, in a manner which, as determined by the Security Trustee, acting on the directions of:

(i) the Bond Trustee (subject to the provisions of the Bond Trust Deed), if there are Covered Bonds outstanding, is materially prejudicial to the Covered Bondholders; or

(ii) the Majority Secured Creditors, if there are no Covered Bonds outstanding, is materially prejudicial to the Secured Creditors,

and that breach is not remedied to the Security Trustee's satisfaction (acting on the directions of the relevant instructing party referred to in paragraph (i) or (ii) above of this definition) within 60 Local Business Days after receipt by the Trust Manager of a notice in writing, from the Security Trustee, requiring it to do so.

Trust Payment Period means the period from (and including) a Distribution Date (or the first Settlement Date in the case of the first Trust Payment Period) to (but excluding) the next Distribution Date.

UK Benchmarks Regulation means Regulation (EU) No 2016/1011 as it forms part of domestic law by virtue of the EUWA.

Unit means the Income Unit and the Capital Unit.

Unit Register means the register of Unitholders in the Trust maintained in accordance with the Establishment Deed.

Unit Transfer means a transfer of a Unit in the form as may be agreed from time to time between the Trust Manager and the Covered Bond Guarantor (acting reasonably).

Unitholder at any given time means the person then appearing in the Unit Register as a holder of a Unit.

U.S. Distribution Agreement means the distribution agreement to be entered into after the Programme Date (as the same may be amended and/or supplemented and/or restated from time to time), by the Issuer, the Covered Bond Guarantor and the Dealers to agree a basis upon which the Dealer(s) or any of them may from time to time agree to subscribe for, offer or place Rule 144A Covered Bonds.

U.S. Paying Agent means Deutsche Bank Trust Company Americas or any other person from time to time appointed to perform the role of U.S. paying agent under the Principal Agency Agreement.

U.S. Registrar means Deutsche Bank Trust Company Americas or any other person from time to time appointed to perform the role of U.S. registrar under the Principal Agency Agreement.

U.S. Transfer Agent means Deutsche Bank Trust Company Americas or any other person from time to time appointed to perform the role of U.S. transfer agent under the Principal Agency Agreement.

Vesting Date means, in relation to the Trust, the earliest of:

(a) the day preceding the 80th anniversary of the Programme Date;

(b) the date upon which the Trust terminates by operation of law or in accordance with the Establishment Deed; and

(c) following the occurrence of a Covered Bond Guarantor Event of Default, the date on which the Security Trustee has notified the Covered Bond Guarantor in writing that it has enforced the Security and has distributed all of the amounts which it is required to distribute under the Security Deed.

wilful default in relation to the Covered Bond Guarantor or the Security Trustee means any intentional failure to comply, or intentional breach, by the defaulting party of any of its obligations under the Programme Documents, other than a failure or breach which:

(i) is in accordance with a lawful court order or direction or otherwise required by law; or

(ii) is in accordance with a proper instruction or direction from any person (other than the defaulting party) permitted to give such instruction or direction to the defaulting party under the Programme Documents; or

(iii) arose as a result of a breach by any person (other than the defaulting party) of any of its obligations under the Programme Documents and performance of the action (or non performance of which gave rise to such breach) is a precondition to the defaulting party performing its obligations under the Programme Documents.

Yield Shortfall has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Yield Shortfall Test*" in this Prospectus.

Yield Shortfall Test has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Yield Shortfall Test*" in this Prospectus.

Zero Coupon Covered Bonds means Covered Bonds which will be offered and sold at a discount to their nominal amount and which will not bear interest.

DIRECTORY

THE ISSUER

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Australia

COVERED BOND GUARANTOR

Perpetual Limited
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Sydney NSW 2000
Australia

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United Kingdom

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75009 Paris
France

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88 Queensway
Hong Kong

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Société Générale
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75009 Paris
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Australia

BOND TRUSTEE

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Kowloon
Hong Kong

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Barangaroo NSW 2000
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