IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY US PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the attached prospectus (the "**Prospectus**") following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the 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 IN THE PROSPECTUS) 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 OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "US 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 STATE OR LOCAL SECURITIES LAWS.

THE 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 U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS 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.

Confirmation of the representation: In order to be eligible to view the Prospectus or make an investment decision with respect to the securities, investors must not be in the U.S. and must not be either 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. The Prospectus is being sent at your request and by accepting the electronic mail and accessing the Prospectus, you shall be deemed to have represented to us that you are not in the U.S. or a U.S. person or acting for the account or benefit of a U.S. person, the electronic mail address that you gave us and to which this electronic mail has been delivered is not located in the U.S. and that you consent to delivery of the Prospectus by electronic transmission.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person. The materials relating to any offering of Covered Bonds under the Programme (each as defined in the Prospectus) to which the Prospectus relates 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 relevant Dealer (as defined in the Prospectus) or any affiliate of such Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer or affiliate on behalf of the Issuer in such jurisdiction.

The Prospectus has been sent to you in electronic format. 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 CB Guarantor, the Arrangers or the relevant Dealers (each as defined in the Prospectus) or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from any of the Issuer, the Arrangers or the relevant Dealers.

You are responsible for protecting against viruses and other destructive items. Your use of this electronic mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Bendigo and Adelaide Bank Limited
(ABN 11 068 049 178)

A$6,000,000,000 Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments of interest and principal by Perpetual Corporate Trust Limited (ABN 99 000 341 533) as trustee of the Bendigo and Adelaide Bank Covered Bond Trust

Under this A$6,000,000,000 Bendigo and Adelaide Bank Covered Bond Programme (the "**Programme**"), Bendigo and Adelaide Bank Limited (the "**Issuer**") may from time to time issue bonds (the "**Covered Bonds**") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below).

Perpetual Corporate Trust Limited, in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust (the "**CB Guarantor**"), has guaranteed payments of interest and principal under the Covered Bonds pursuant to the Covered Bond Guarantee (as defined below) which is secured over the Loans (as defined below) and the other assets of the Bendigo and Adelaide Bank Covered Bond Trust. Recourse against the CB Guarantor under the Covered Bond Guarantee is limited to the Loans and the other assets of the Bendigo and Adelaide Bank Covered Bond Trust.

The Covered Bonds may be issued in bearer or registered form. The Australian Domestic Covered Bonds (as defined herein) will be issued in registered, uncertificated form. The maximum aggregate nominal amount of all Covered Bonds from time to time outstanding under the Programme will not exceed A$6,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described in the Programme Agreement. The Covered Bonds may be issued on a continuing basis to the Dealer specified under Overview of the Programme 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)**" shall, in the case of an issue of Covered Bonds which are to be subscribed for by one or more Dealers, be to all Dealers agreeing to subscribe for such Covered Bonds.

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. Any Covered Bonds issued under the Programme on or after the date of this Prospectus are issued subject to the provisions described herein and in any supplement thereto. 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 below) of Covered Bonds (other than in the case of an Australian Domestic Covered Bond or a Covered Bond which is neither admitted to trading on a regulated market in the European Economic Area or the United Kingdom nor offered in the European Economic Area or the United Kingdom in circumstances where a prospectus is required to be published under Regulation (EU) 2017/1129 and Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 or the Financial Services and Markets Act 2000 respectively (an "**Exempt Covered Bond**")) will be set out in the Final Terms for that Tranche (the "**Final Terms**"). In the case of Exempt Covered Bonds, notice of the information which is applicable to each Tranche will be set out in a pricing supplement document ("**Pricing Supplement**"). Unless otherwise specified in the applicable Pricing Supplement, Australian Domestic Covered Bonds will be issued as Exempt Covered Bonds.

See *Risk Factors* for a discussion of certain factors to be considered in connection with an investment in the Covered Bonds.

This Prospectus has been approved as a base prospectus by the FCA, as competent authority under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") (the "**UK Prospectus Regulation**"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the CB Guarantor or 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 for the Covered Bonds issued under the Programme to be admitted to the official list of the FCA (the "**Official List**") and an application has been made to the London Stock Exchange plc (the "**London Stock Exchange**") for such Covered Bonds to be admitted to trading on the main market of the London Stock Exchange which 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**") (the "**main market of the London Stock Exchange**") during the period of 12 months from the date of this Prospectus. References in this Prospectus to Covered Bonds being "listed" (and all related references) will, unless the context otherwise requires, mean that such Covered Bonds have been admitted to trading on the main market of the London Stock Exchange and have been admitted to the Official List. Neither Perpetual Corporate Trust Limited (in its personal capacity or as CB 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. The Programme provides that Exempt Covered Bonds may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or regulated or any other markets as may be agreed between the Issuer, the CB Guarantor and the relevant Dealer(s). The Issuer may also issue Exempt Covered Bonds, which will not be admitted to trading on any regulated or any other market.

This Prospectus (as supplemented 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 a regulated market in the UK and may be supplemented from time to time to reflect any significant new factor, material mistake or inaccuracy relating to the information included in it. 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 UK Prospectus Regulation only applies to Covered Bonds which are to be admitted to trading on a regulated market in the United Kingdom ("**UK**") other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the UK Prospectus Regulation. References in this Prospectus to "Exempt Covered Bonds" and "Australian Domestic Covered Bonds" are to Covered Bonds for which no prospectus is required to be published under the UK Prospectus Regulation. The information contained in this Prospectus relating to Exempt Covered Bonds or Australian Domestic Covered Bonds does not form part of this Prospectus and the FCA has neither approved nor reviewed such information contained in this Prospectus.

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 the securities laws of any state of the United States or the securities laws of any other jurisdiction. The Covered Bonds and the Covered Bond Guarantee may not be offered or sold in 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 ("**Regulation S**") unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

The Issuer and the Trust Manager, on behalf of the CB Guarantor, may agree with any Dealer and the Bond Trustee that Covered Bonds may be issued in a form not contemplated by the Terms and Conditions of the Covered Bonds described herein, in which event a supplementary offering document, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Covered Bonds.

Amounts payable under the Covered Bonds may be calculated by reference to one of the Sterling Overnight Index Average ("**SONIA**") or the compounded SONIA index ("**SONIA Index**"), the Secured Overnight Finance

Rate ("**SOFR**") or the compounded SOFR index ("**SOFR Index**"), the Swiss Average Rate Overnight ("**SARON**"), the Australian Bank Bill Swap Rate ("**BBSW Rate**") or the Australian dollar interbank overnight cash rate ("**AONIA Rate**"), as specified in the relevant Final Terms (or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement).

The Covered Bonds issued under the Programme are expected on issue to be assigned ratings by Fitch Australia Pty Ltd ("**Fitch**") and Moody's Investors Service Limited ("**Moody's**") and such ratings will be specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). 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. Fitch and Moody's are not established in the European Union or in the UK, and have not applied for registration under 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**"). Fitch Ratings Ireland Limited currently endorses the international credit ratings published by Fitch and Moody's Deutschland GmbH currently endorses global scale credit ratings issued by Moody's, for regulatory purposes in the European Union in accordance with the CRA Regulation. Fitch Ratings Ireland Limited and Moody's Deutschland GmbH are established in the European Union and registered under the CRA Regulation. As such, each of Fitch Ratings Ireland Limited and Moody's Deutschland GmbH is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation. Fitch Ratings Ltd currently endorses the international credit ratings published by Fitch and Moody's Investors Service Limited currently endorses global scale credit ratings issued by Moody's, for regulatory purposes in the UK in accordance with the UK CRA Regulation. There can be no assurance that such endorsement of the credit ratings of Moody's and Fitch will continue. Each of Fitch Ratings Limited and Moody's Investors Service Ltd is established in the UK and is registered in accordance with the UK CRA Regulation. As such, as at the date of this Prospectus, it appears on the list of credit rating agencies registered or certified with the FCA published on its website. The European Securities and Markets Authority has indicated that ratings issued in Australia which have been endorsed by Fitch Ratings Ireland Limited and Moody's Deutschland GmbH may be used in the EU by the relevant market participants. The ratings issued by Moody's Investors Service Ltd and Fitch Ratings Limited may be used for regulatory purposes in the UK in accordance with the UK CRA Regulation. References in this Prospectus to Fitch and/or Moody's shall be construed accordingly.

The rating of certain Series or Tranches 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). In relation to each Series or Tranche of Covered Bonds, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) will disclose whether or not each credit rating applied for in relation to the relevant Series or Tranche of Covered Bonds will be issued by, or endorsed by, a credit rating agency established in the UK and registered under the UK CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or issued by a credit rating agency established in a third country but whose credit ratings are endorsed by the credit rating agency established in the UK and registered under the UK CRA Regulation. The list of credit rating agencies registered under the UK CRA Regulation (as updated from time to time) is published on the website of the FCA (https://register.fca.org.uk/BenchmarksRegister/s/?pageTab=Administrators). 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.

In relation to each Series or Tranche of Covered Bonds, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) will disclose whether or not each credit rating applied for in relation to the relevant Series or Tranche of Covered Bonds will be issued by, or endorsed by, a credit rating agency established in the European Union and registered under the EU CRA Regulation. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the EU CRA Regulation or issued by a credit rating agency established in a third country but whose credit ratings are endorsed by the credit rating agency established in the European Union and registered under the EU CRA Regulation. The list of credit rating agencies registered under the EU CRA Regulation (as updated from time to time) is published on the website of ESMA (www.esma.europa.eu/page/List.-registered-and-certified-

CRAs). 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.

Arrangers

BARCLAYS

NATIONAL AUSTRALIA BANK LIMITED

Dealers

BARCLAYS

NATIONAL AUSTRALIA BANK LIMITED

The date of this Prospectus is 5 June 2023.

IMPORTANT NOTICE

This Prospectus (other than in relation to Exempt Covered Bonds) comprises a base prospectus for the purposes of Article 8 of the UK Prospectus Regulation and has been published in accordance with the prospectus rules made under the FSMA.

This Prospectus has not been, and will not be, lodged with the Australian Securities and Investments Commission ("**ASIC**"). No action has been taken which would permit an offering of the Covered Bonds in circumstances that would require disclosure under Parts 6D.2 or 7.9 of the Corporations Act 2001 (the "**Corporations Act**"). This Prospectus is not a prospectus or other disclosure document for the purposes of the Corporations Act.

The distribution and use of this Prospectus, including any Final Terms (or Pricing Supplement, as the case may be), advertisement or other offering material, and the offer or sale of Covered Bonds may be restricted by law in certain jurisdictions and intending purchasers and other investors should inform themselves about such laws and observe any such restrictions.

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.

The Issuer accepts responsibility for the information contained in this Prospectus and in each Final Terms and Pricing Supplement for each Tranche of Covered Bonds issued under the Programme and any document incorporated by reference into this Prospectus. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

The CB Guarantor (in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust) accepts responsibility for the following sections of this Prospectus:

(a) the first paragraph of the section entitled *Structure Overview – Structure Overview – Covered Bond Guarantee*;

(b) the sections *Overview of the Programme – CB Guarantor* and *Overview of the Programme – Covered Bond Guarantee*;

(c) Condition 3(b) (*Status of the Covered Bond Guarantee*) in the section *Terms and Conditions of the Covered Bonds*;

(d) the section entitled *Bendigo and Adelaide Bank Covered Bond Trust – Trustee of the Bendigo and Adelaide Bank Covered Bond Trust*;

(e) the section entitled *Overview of the Principal Documents – Covered Bond Guarantee*;

(f) the following sub-sections under the heading *General Information*:

  (i) the third paragraph under *Significant or material change*; and

  (ii) the second paragraph under *Litigation*,

(together the "**Relevant CB Guarantor Information**"). To the best of the knowledge of the CB Guarantor, the Relevant CB Guarantor Information contained in this Prospectus is in accordance with the facts and the Relevant CB Guarantor Information contained in 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 herein by reference (see the section entitled *Documents Incorporated by Reference* below).

The information contained in this Prospectus was obtained from the Issuer and (in respect of the Relevant CB Guarantor Information only) the CB Guarantor and no assurance can be given by the Arrangers, the Dealers, the Agents (as defined below), the Bond Trustee (as defined below) or the Security Trustee (as defined below) or (other than in respect of the Relevant CB Guarantor Information only) the CB Guarantor nor any of their respective affiliates 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 Arrangers, the Dealers, the Agents, the Bond Trustee, the CB Guarantor (in respect of information other than the Relevant CB Guarantor Information) or the Security Trustee nor any of their respective affiliates as to the accuracy or completeness of the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the Programme. None of the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee or (other than in respect of the Relevant CB Guarantor Information) the CB Guarantor nor any of their respective affiliates accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the Programme.

The only persons authorised to use this Prospectus in connection with an offer of Covered Bonds are the persons named in the applicable Final Terms (or Pricing Supplement, as the case may be) as the relevant Dealers.

No person is or has been authorised by the Issuer, the CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee or any of their respective affiliates to give any information or to make any representation not contained in or not consistent with the information contained or incorporated by reference 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 CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee or any of their respective affiliates.

Neither the information contained or incorporated by reference in 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 or a statement of opinion (or a report of either of those things) by the Issuer, the CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee or any of their respective affiliates 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. In making an investment decision, investors must rely on their own examination of the Issuer and the CB Guarantor (including in respect of the Bendigo and Adelaide Bank Covered Bond Trust) and the terms of the Covered Bonds being offered, including the merits and risks involved. Accordingly, investors contemplating purchasing any Covered Bonds should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness, of the Issuer and the CB Guarantor (including in respect of the Bendigo and Adelaide Bank Covered Bond Trust). 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 CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee nor any of their respective affiliates to any person to subscribe for or to purchase any Covered Bonds.

Neither the delivery of this Prospectus nor the offer, sale or delivery of any Covered Bonds shall in any circumstances imply that the information contained or incorporated by reference herein concerning the Issuer, the CB Guarantor, the Bond Trustee, the Agents, the Bendigo and Adelaide Bank Covered Bond Trust or the Loans is correct at any time subsequent to the date of the document in which it appears or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document in which it appears. The Arrangers, the Dealers and their affiliates, the Agents, the Bond Trustee, the CB Guarantor and the Security Trustee expressly do not undertake to review the financial condition or affairs of the Issuer, and the Arrangers, the Dealers and their affiliates, the Agents, the Bond Trustee and the Security Trustee expressly do not undertake to review the financial condition or affairs of the CB Guarantor and the Bendigo and Adelaide Bank Covered Bond Trust or its assets, during the life of the Programme or to advise any investor in the Covered Bonds of any information coming to their attention. Further all parties to the Transaction Documents (other than the Issuer and the Trust Manager, on behalf of the CB Guarantor) expressly do not undertake to review the financial condition or affairs of the

Bendigo and Adelaide Bank Covered Bond Trust during the life of the Programme or to advise any investor in the Covered Bonds of any information concerning the Bendigo and Adelaide Bank Covered Bond Trust coming to its attention, except as required of it in the Transaction Documents or under applicable Law and as summarised herein or in any supplement hereto. 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.

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 in reliance upon Regulation S to non-U.S. persons in offshore transactions (each as defined in Regulation S). See *Subscription and Sale and Transfer and Selling Restrictions* herein. 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 *Subscription and Sale and Transfer and Selling Restrictions*).

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Covered Bonds in any jurisdiction where, or to any person to whom, it is unlawful to make the offer or solicitation. The distribution of this Prospectus and the offer or sale of Covered Bonds may be restricted by law in certain jurisdictions. The Issuer, the CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee and the Security Trustee and their respective affiliates do not represent that this Prospectus may be lawfully distributed, or that any Covered Bonds may be lawfully offered or sold, 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, offering or sale. In particular, no action has been taken by the Issuer, the CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee nor any of their respective affiliates which would permit a public offering of any Covered Bonds 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 the United States, the European Economic Area, the UK, Australia, Hong Kong, Japan, New Zealand, Singapore, Canada, Italy, Switzerland, Korea, Republic of China and Macau: see *Subscription and Sale and Transfer and Selling Restrictions*.

In connection with the issue of any Tranche of Covered Bonds outside Australia and on a market outside Australia, the Dealer or Dealers (if any) named as stabilisation manager(s) (the "**Stabilisation Manager(s)**") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) may over-allot 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 Tranche of 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 Tranche of Covered Bonds and 60 days after the date of the allotment of the relevant Tranche of Covered Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

None of the Issuer, the CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee nor any of their respective affiliates 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.

No "Offshore Associate" (as defined below) of the Issuer may (directly or indirectly) acquire this Covered Bond or any interest in or right in respect of this Covered Bond (other than an Offshore Associate who

acquires this Covered Bond or such interest or right in the capacity of a dealer, manager or underwriter in relation to the placement of the Covered Bond, interest or right, or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act).

For these purposes, an "**Offshore associate**" means an associate (as defined in section 128F(9) of the *Income Tax Assessment Act* 1936 (Cth)) of the Issuer that is either a:

1. resident of Australia for Australian Tax purposes ("**Resident**") that acquires Covered Bonds or an interest in the Covered Bonds, or receives a payment in respect of the Covered Bonds, in carrying on a business at or through a permanent establishment outside of Australia; or

2. non-resident of Australia for Australian Tax purposes ("**Non-Resident**") which does not acquire Covered Bonds or an interest in the Covered Bonds, or receives a payment in respect of the Covered Bonds in carrying on a business at or through a permanent establishment in Australia.

Accordingly, if you are an Offshore Associate of the Issuer, you should not acquire any of the Covered Bonds.

Any Offshore Associate who acquires this Covered Bond or any interest or right in respect of this Covered Bond contrary to the restriction above may be subject to Australian Tax and, if so, will not be entitled to receive any payment of additional amounts from the Issuer on account of such tax from amounts payable under or in respect of the Covered Bond.

3. Each of the Arrangers and the Dealers discloses that, in addition to the arrangements and interests it will or may have with respect to the CB Guarantor and the Issuer as described in this Prospectus (the "**Transaction Document Interests**"), it, its Related Entities and employees (each a **Relevant Entity**):

   (a) may from time to time be a Covered Bondholder or have other interests with respect to the Covered Bonds and it may also have interests relating to other arrangements with respect to a Covered Bondholder or a Covered Bond; and

   (b) may receive fees, brokerage and commissions or other benefits, and act as principal with respect to any dealing with respect to any Covered Bonds,

   (together, the "**Bond Interests**").

4. Each purchaser of Covered Bonds acknowledges these disclosures and further acknowledges and agrees that:

   (i) each Relevant Entity will or may have the Transaction Document Interests and may from time to time have the Bond Interests and is, and from time to time may be, involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Issuer or the CB Guarantor or any other person, both on the Relevant Entity's own account and for the account of other persons (the "**Other Transaction Interests**");

   (ii) each Relevant Entity may even purchase the Covered Bonds for their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Covered Bonds at the same time as the offer and sale of the Covered Bonds or in secondary market transactions. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any offering, sale or resale of the Covered Bonds to which this document relates;

(iii) each Relevant Entity may indirectly receive proceeds of the Covered Bonds in repayment of debt financing arrangements involving a Relevant Entity. For example, this could occur if the proceeds of the Covered Bonds form the purchase price used to acquire the assets that are currently financed under existing debt financing arrangements involving a Relevant Entity and that purchase price is in turn used to repay any of the debt financing owing to that Relevant Entity;

(iv) each Relevant Entity in the course of its business (whether with respect to the Transaction Document Interests, the Bond Interests, the Other Transaction Interests or otherwise) may act independently of any other Relevant Entity;

(v) to the maximum extent permitted by applicable law, the duties of each Relevant Entity in respect of any member of the Issuer and the CB Guarantor and the Covered Bonds are limited to the contractual obligations of the parties as set out in the Transaction Documents and, in particular, no advisory or fiduciary duty is owed to any person;

(vi) a Relevant Entity may have or come into possession of information not contained in this Prospectus that may be relevant to any decision by a potential investor to acquire the Covered Bonds and which may or may not be publicly available to potential investors ("**Relevant Information**");

(vi) to the maximum extent permitted by applicable law, no Relevant Entity is under any obligation to disclose any Relevant Information to the Issuer, the CB Guarantor or to any potential investor and this Prospectus and any subsequent conduct by a Relevant Entity should not be construed as implying that the Relevant Entity is not in possession of such Relevant Information; and

(viii) each Relevant Entity may have various potential and actual conflicts of interest arising in the course of its business, including in respect of the Transaction Document Interests, the Bond Interests or the Other Transaction Interests. The existence of a Transaction Document Interest or Other Transaction Interest may affect how a Relevant Entity in another capacity (e.g. as a Covered Bondholder) may seek to exercise any rights it may have in that capacity. These interests may conflict with the interests of the Issuer or the CB Guarantor or a Covered Bondholder and such entity may suffer loss as a result. To the maximum extent permitted by applicable law, a Relevant Entity is not restricted from entering into, performing or enforcing its rights in respect of the Transaction Document Interests, the Bond Interests or the Other Transaction Interests and may otherwise continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Covered Bondholders, the Issuer or the CB Guarantor, and the Relevant Entities may in so doing act without notice to, and without regard to, the interests of any such person.

AUSTRALIAN BANKING LEGISLATION

The Issuer is an "authorised deposit-taking institution" ("**ADI**") as that term is defined under the Banking Act 1959 ("**Banking Act**"). Under sections 13A(3) and 16(2) of the Banking Act and section 86 of the Reserve Bank Act 1959 ("**Reserve Bank Act**"), certain debts of the Issuer are preferred by law, as described below.

Section 13A(3) of the 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 available to meet specified liabilities of the ADI in priority to all other liabilities of the ADI (including, in the case of the Issuer, the Covered Bonds). For the purposes of section 13A(3) of the Banking Act:

(a) the assets of the ADI do not include any interest in an asset (or part of an asset) in a cover pool (as defined in the Banking Act); and

(b) the specified liabilities include certain obligations of the ADI to the Australian Prudential Regulation Authority ("**APRA**") in respect of amounts payable by APRA to holders of protected accounts, other liabilities of the ADI in Australia in relation to protected accounts, debts to the Reserve Bank of Australia ("**RBA**") and certain other debts to APRA.

A "protected account" is either:

1. an account, or covered financial product, that is kept under an agreement between the account-holder and the ADI requiring the ADI to pay the account-holder, on demand or at an agreed time, the net credit balance of the account or covered financial product at the time of the demand or the agreed time (as appropriate); or

2. another account or financial product prescribed by regulation.

The Covered Bonds do not constitute protected accounts or deposit liabilities for the purposes of the Banking Act.

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

The liabilities which are preferred by law to the claim of a holder in respect of a Covered Bond against the Issuer will be substantial and the Conditions do not limit the amount of such liabilities which may be incurred or assumed by the Issuer.

The provisions of the Banking Act referred to in the preceding paragraphs:

(a) do not apply to the obligations of the CB Guarantor under the Covered Bond Guarantee as described in Condition 3(b) (*Status of the Covered Bond Guarantee*), or the claim of the Bond Trustee or a holder in respect of a Covered Bond against the CB Guarantor; and

(b) do not preclude the Bond Trustee exercising any rights or powers in relation to the Covered Bonds to the extent necessary to enable it to make a call under the Covered Bond Guarantee in accordance with the relevant provisions of the Bond Trust Deed.

See *Structure Overview – Background and Australian legislative framework* below for more information.

NOTICE TO HONG KONG INVESTORS

The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.

NOTICE TO SINGAPORE INVESTORS

Notification under Section 309B(1) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "Securities and Futures Act") – Unless otherwise stated in the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) in respect of any Covered Bonds, all Covered Bonds issued or to be issued under the Programme shall be capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) 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).

IMPORTANT – 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 (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 Regulation (EU) 2017/1129 (as amended) (the "**EU Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU 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 EU PRIIPs Regulation.

IMPORTANT – PROHIBITION OF SALES TO UK 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 UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) in respect of any Covered Bonds may include a legend entitled "MiFID II 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 "**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 of Covered Bonds 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 Arrangers nor 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 Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) in respect of any Covered Bonds 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 distributor should take into consideration the 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 target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Covered Bonds 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 none of the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

UK BENCHMARKS REGULATION

Interest and/or other amounts payable under the Covered Bonds may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 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 Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 (Register of administrators and benchmarks) of the UK Benchmarks Regulation (the "**UK Register**"). Not every reference rate will fall within the scope of the UK Benchmarks Regulation. Furthermore, the transitional provisions in Article 51 of the UK Benchmarks Regulation may have the result that the administrator of a particular benchmark is not currently required to appear in the UK Register at the date of the relevant Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement). The registration status of any administrator under the UK Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) to reflect any change in the registration status of the administrator.

EU BENCHMARKS REGULATION

Any such reference rate may also constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (as amended, the "**EU Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the EU Benchmarks Regulation (the "ESMA Register"). Not every reference rate will fall within the scope of the EU Benchmarks Regulation. Transitional provisions in the EU Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the ESMA Register at the date of the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement). The registration status of any administrator under the EU Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) to reflect any change in the registration status of the administrator.

AVAILABLE INFORMATION

The Issuer will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the request of such person, an electronic copy of the Offshore Agency Agreement. Written requests should be addressed to Bendigo and Adelaide Bank Limited, Level 4, 80 Grenfell Street, Adelaide, South Australia 5000, Australia, Attention: Head of Capital Markets Execution.

FORWARD-LOOKING STATEMENTS

This Prospectus contains or incorporates by reference statements that may constitute "forward-looking statements".

Forward-looking statements are statements about matters that are not historical facts. Forward-looking statements appear in a number of places in this Prospectus and the information incorporated by reference herein and include statements regarding the Issuer's intent, belief or current expectations with respect to its business and operations, market conditions, results of operations and financial condition, including, without limitation, future loan loss provisions and financial support to certain borrowers or the CB Guarantor. Words such as "will", "may", "expect", "intend", "seek", "would", "should", "could", "continue", "plan", "estimate", "anticipate", "believe", "probability", "risk", "aim" or other similar words are used to identify forward-looking statements. These forward-looking statements reflect the Issuer's current views with respect to future events and are subject to change, certain risks, uncertainties and assumptions which are, in many instances, beyond the Issuer's control, and have been made based upon management's expectations and beliefs concerning future developments and their potential effect upon the Issuer.

There can be no assurance that future developments will be in accordance with the Issuer's expectations or that the effect of future developments on the Issuer will be those anticipated. Actual results could differ materially from those expected, depending on the outcome of various factors, including, but not limited to:

- the effect of, and changes in, laws, regulations, taxation or accounting standards or practices and government policy, particularly changes to liquidity, leverage and capital requirements;
- regulatory investigations, litigation, fines, penalties, restrictions or other regulator imposed conditions;
- the stability of Australian and international financial systems and disruptions to financial markets and any losses or business impacts the Issuer or its customers or counterparties may experience as a result;
- market volatility, including uncertain conditions in funding, equity and asset markets;
- adverse asset, credit or capital market conditions;
- the conduct, behaviour or practices of the Issuer or its staff;
- changes to the Issuer's credit ratings or to the methodology used by credit rating agencies;
- levels of inflation, interest rates, exchange rates and market and monetary fluctuations;
- market liquidity and investor confidence;
- changes in economic conditions, consumer spending, saving and borrowing habits in Australia and in other countries in which the Issuer or its customers or counterparties conduct their operations and the Issuer's ability to maintain or to increase market share, margins and fees and control expenses;

- the effects of competition in the geographic and business areas in which the Issuer conducts its operations;
- information security breaches, including cyberattacks;
- reliability and security of the Issuer's technology and risks associated with changes to technology systems;
- the timely development and acceptance of new products and services and the perceived overall value of these products and services by customers;
- the effectiveness of the Issuer's risk management policies, including internal processes, systems and employees;
- the incidence or severity of insured events of the Issuer;
- the occurrence of environmental change or external events in countries in which the Issuer or its customers or counterparties conduct their operations;
- internal and external events which may adversely impact the Issuer's reputation;
- changes to the value of the Issuer's intangible assets;
- changes in political, social or economic conditions in any of the major markets in which the Issuer or its customers or counterparties operate;
- the success of strategic decisions involving diversification or innovation, in addition to business expansion and integration of new businesses; and
- various other factors beyond the Issuer's control.

The above list is not exhaustive. For certain other factors that may impact on forward-looking statements made by the Issuer, refer to *Risk Factors – Risks Factors Relating to the Issuer and its Business, Including the Ability of the Issuer to Fulfil its Obligations under the Covered Bonds*. When relying on forward-looking statements to make decisions with respect to investing in the Covered Bonds, investors and others should carefully consider the foregoing factors and other uncertainties and events.

None of the Arrangers nor the Dealers or their affiliates have verified any such statements, nor do they make any representations, express or implied, with respect to such statements.

None of the Arrangers, the Dealers, the Agents, the Bond Trustee, the Issuer, the CB Guarantor, the Security Trustee, the Trust Manager, the Swap Providers nor any of their respective affiliates nor any other party to a Transaction Document has any obligation to update or otherwise revise any forward-looking statements (including any projections) contained or incorporated by reference in this Prospectus, whether as a result of new information, future events, any changes in economic conditions, the occurrence of unanticipated events or other circumstances, in each case arising after the date of this Prospectus, even if the underlying assumptions do not come to fruition unless such new information, future events or otherwise constitutes a significant new factor requiring the Issuer to publish a supplementary prospectus (or update through the applicable Final Terms (or the Pricing Supplement, as the case may be) for the Covered Bonds) in accordance with the requirements of any listing authority or stock exchange on which the Covered Bonds are listed and/or admitted to trading.

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 in 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 be familiar with the behaviour of any relevant indices and financial markets;

(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; and

(f) understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the relevant Covered Bonds.

Covered Bonds are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as standalone 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 which are complex financial instruments 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.

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 (i) Covered Bonds are legal investments for it, (ii) Covered Bonds can be used as collateral for various types of borrowing; (iii) Covered Bonds can be used as repo-eligible securities and (iv) 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 CB Guarantor, the Security Trustee, the Bond Trustee, the Arrangers or the Dealers nor any of their respective affiliates 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 any of the Arrangers, the Dealers, the Bond Trustee, the Security Trustee nor any of their respective affiliates or any other party to the Programme, their officers, members, directors, employees, security holders or incorporators, other than the Issuer and the CB Guarantor. The Issuer will be liable solely in its corporate capacity for its obligations in respect of the Covered Bonds. The CB Guarantor will be liable solely in its capacity as trustee of the Trust for its obligations in respect of the Covered Bond Guarantee. In both cases, such obligations will not be the obligations of their respective officers, members, directors, employees, security holders or incorporators.

Please consider carefully the risk factors set out in the section herein entitled Risk Factors.

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DOCUMENTS INCORPORATED BY REFERENCE

Except as provided in any supplement hereto, the following documents shall be deemed to be incorporated in, and to form part of, this Prospectus:

1. the most recently published annual report of the Group for the financial year ended 30 June 2022 (including the audited consolidated financial statements of the Issuer and the notes thereto, and the independent auditor's report thereon as set out at pages 53 to 134 (both pages included) and pages 136 to 144 (both pages included) respectively), which is published on the website of the Issuer (https://www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/results-and-reporting/annual-reviews/annualfinancialreport2022.pdf);

2. the annual report of the Group for the financial year ended 30 June 2021 (including the audited consolidated financial statements of the Issuer and the notes thereto, and the independent auditor's report thereon as set out at pages 52 to 130 (both pages included) and 132 to 139 (both pages included) respectively), which is published on the website of the Issuer (https://www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/results-and-reporting/annual-reviews/annual-financial-report-2021.pdf);

3. all pages of the most recently published consolidated half-year financial statements of the Issuer for the half-year ended 31 December 2022, which are published on the website of the Issuer (https://www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/results-and-reporting/financial-results/appendix-4d-half-year-results-2023.pdf);

4. all pages of the consolidated half-year financial statements of the Issuer for the half-year ended 31 December 2021, which is published on the website of the Issuer (https://www.bendigoadelaide.com.au/globalassets/documents/bendigoadelaide/investorcentre/results-and-reporting/financial-results/appendix-4d-half-year-results-2022.pdf);

5. the cover pool information which is available from on pages 3 to 8 of the Bendigo and Adelaide Bank Covered Bond Monthly Investor Report as at April 2023 on the website of the Issuer (https://www.bendigoadelaide.com.au/investor-centre/investor-information/), with the latest reporting dated 30 April 2023.

To the extent that any document incorporated by reference in this Prospectus incorporates further information by reference, such further information does not form part of this Prospectus.

Any information contained in 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.

Copies of documents incorporated by reference in this Prospectus can be obtained from the registered office of the Issuer at The Bendigo Centre, Bendigo, Victoria 3550, Australia, and from the specified office of the Bond Trustee (as defined below) in accordance with the sub-section entitled "General Information – Documents Available".

Websites and URLs referred to herein do not form part of this Prospectus.

SUPPLEMENTS

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Covered Bonds, prepare a supplement to this Prospectus (a "**Supplementary Prospectus**") or publish a new prospectus for use in connection with any subsequent issue of Covered Bonds. Following the publication of any Supplementary Prospectus, references to this Prospectus shall be to this Prospectus as supplemented by such Supplementary Prospectus. The Issuer has undertaken to the Dealers in the Programme Agreement

(as defined herein) that it will prepare and publish a Supplementary Prospectus if it is required, or it has reasonable grounds to believe that it is required to do so to comply with (i) section 87G of the FSMA and the UK Prospectus Regulation rules made under the FSMA in the case of Covered Bonds which are, or are to be, admitted to the Official List or (ii) the rules and regulations relating to prospectuses in force for any other stock exchange on which Covered Bonds are or are to be listed in the case of all other Covered Bonds.

APPLICABLE ACCOUNTING PRINCIPLES

As required by the Corporations Act, the audited consolidated financial statements of the Issuer have been prepared under Australian Accounting Standards and International Financial Reporting Standards ("**IFRS**").

STRUCTURE OVERVIEW

The following overview describes the Programme, including the Covered Bonds, the Covered Bond Guarantee and related documents, in general terms only and 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 Tranche of Covered Bonds, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement). You should read the overview together with the more detailed information that is contained in the remainder of this Prospectus and in relation to any particular Tranche of Covered Bonds, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement). Words and expressions defined elsewhere in this Prospectus shall have the same meanings in this overview. A glossary of certain defined terms used in this Prospectus is contained at the end of this Prospectus. Capitalised terms used but not defined herein shall have the meanings assigned to them in the glossary at the end of this Prospectus.

Background and Australian legislative framework

Each issue of the Covered Bonds will be subject to, and undertaken in compliance with, Division 3A of Part II of the Banking Act.

The legislative framework established under the Banking Act for the issuance of covered bonds by the Issuer is summarised in the following paragraphs.

Issuing ADIs, covered bonds and covered bond special purpose vehicles. In the Banking Act, "covered bonds" are defined to be bonds, notes or other debentures, liabilities to the holders of which, or their representatives, are recoverable from the issuing ADI and secured by assets beneficially owned by a special purpose vehicle (a "covered bond special purpose vehicle"). Assets beneficially owned by the covered bond special purpose vehicle, to the extent that they secure the liabilities to the holders of covered bonds or their representatives equally or in priority to any other liabilities of the covered bond special purpose vehicle, constitute the cover pool for those covered bonds. The Covered Bonds to be issued by the Issuer under the Programme will be "covered bonds" and the CB Guarantor is the covered bond special purpose vehicle.

Issue restriction and maintenance of the cover pool. The Banking Act provides that:

(a) the Issuer must not issue a covered bond if the combined value of assets in cover pools securing all covered bonds (within the meaning of the Banking Act) issued by the Issuer would exceed 8%, or such other percentage prescribed by regulation, of the value of the Issuer's assets in Australia. This restriction is only to be tested at the time of issuance of covered bonds; and

(b) the value of assets in a cover pool must be at least 103%, or such other percentage prescribed by regulation, of the face value of covered bonds secured by the assets, except as otherwise permitted by the Banking Act. This is an ongoing requirement which applies for so long as the covered bonds are outstanding.

Cover pools, eligible assets and cover pool monitor. Sections 31 and 31A of the Banking Act specify the nature of assets that may comprise the cover pool (which include residential mortgage loans, certain cash deposits and liquid securities and certain derivatives). Pursuant to the terms of the Transaction Documents (in particular, the definitions of Authorised Investments and Substitution Assets), the CB Guarantor is only permitted to hold as part of the cover pool assets which meet the requirements of sections 31 and 31A.

The Banking Act also provides for the mandatory appointment of a cover pool monitor which must be either a registered auditor under the Corporations Act or an entity which holds an Australian financial services licence that covers the provision of financial services as the cover pool monitor (or is exempt from the requirement to do so). The cover pool monitor cannot be the issuing ADI or an associated entity of the issuing ADI. The Asset Monitor is required under the Asset Monitor Agreement to satisfy the applicable eligibility requirements of the Banking Act for a cover pool monitor and to perform the functions required to be performed by a cover pool monitor under the Banking Act. The role of the Asset Monitor under the Asset

Monitor Agreement is described further below under *Overview of the Principal Documents – Asset Monitor Agreement*.

Prudential supervision and standards. The Banking Act also provides broad administrative powers to APRA to regulate and intervene in the operations of an ADI, including:

(a) in certain circumstances (including where APRA has reason to believe that the ADI is unable to meet its liabilities, there has been a material deterioration in the ADI's financial condition, the 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 ADI's depositors or the ADI is conducting its affairs in a way that may cause or promote instability of the Australian financial system), APRA has the power, to direct an ADI not to issue a covered bond or to take, or not take, other action. Subject to certain exclusions relating to covered bonds discussed in sub-paragraphs (b) to (d) below, such directions could apply to any aspect of the business carried on by the Issuer and its subsidiaries (and include, in the case of the Covered Bonds, a direction that the Issuer not make a payment to the Covered Bondholders or transfer an asset to the CB Guarantor even if contractually obliged to do so). The CB Guarantor is not a subsidiary of BEN. An ADI has the power to comply with APRA's direction despite anything in its constitution or any contract or arrangement to which it is a party;

(b) if the ADI becomes unable to meet its obligations or suspends payment (and in certain other circumstances), APRA has the power to appoint a "Banking Act statutory manager" (formerly known as an "ADI statutory manager") to take control of an ADI's business;

(c) to determine prudential standards which provide for matters relating to covered bonds including in relation to the issuing of covered bonds, assets in cover pools, the maintenance of cover pools and the capital treatment of assets in cover pools and liabilities between an issuing ADI and the covered bond special purpose vehicle. Prudential Standard APS 121 Covered Bonds ("APS 121") applies to ADIs who issue covered bonds. The key requirements of APS 121 are that the Issuer must (i) adopt policies and procedures to manage risks relating to its issuance of covered bonds, and (ii) apply an appropriate capital treatment to exposures associated with covered bond issuance. Under APS 121, the Issuer is also required to maintain an accurate and up-to-date register of the assets in the cover pool (as defined in the Banking Act) which would include assets securing the CB Guarantor's obligations under the Covered Bond Guarantee; and

(d) the power to direct a covered bond special purpose vehicle (such as the CB Guarantor) to return certain assets to the issuing ADI, but only to the extent that, at the time the direction is given, the relevant asset(s) do not secure "covered bond liabilities" (as defined in the Banking Act including, in the case of BEN, the liabilities of the Issuer to the Covered Bondholders). A covered bond special purpose vehicle has the power to comply with APRA's direction despite anything in its constitution or any contract or arrangement to which it is a party.

These broad administrative powers are of general application and have been provided to APRA to enable it to protect depositors and to maintain the stability of the Australian financial system. APRA's powers to give directions as described above are also subject to secrecy requirements which mean that investors will not necessarily receive any notice or otherwise be aware that APRA has given any direction to the Issuer or the CB Guarantor.

Notwithstanding these broad administrative powers, sections 11CA(2AA), 31B and 31C of the Banking Act provide that:

(a) APRA must not direct, or give a direction to the Issuer that would cause or require, the CB Guarantor to deal, or not deal, with an asset to the extent that the asset secures liabilities of the Issuer to the Covered Bondholders, or make a payment, or not make a payment, in relation to a liability of the Issuer to the Covered Bondholders;

(b) neither the giving of a direction by APRA to the Issuer nor the fact that a Banking Act statutory manager is in control of the Issuer's business prevents the exercise of a contractual right in relation

to an asset that secures liabilities to the Covered Bondholders, if payments under the Covered Bonds are not made;

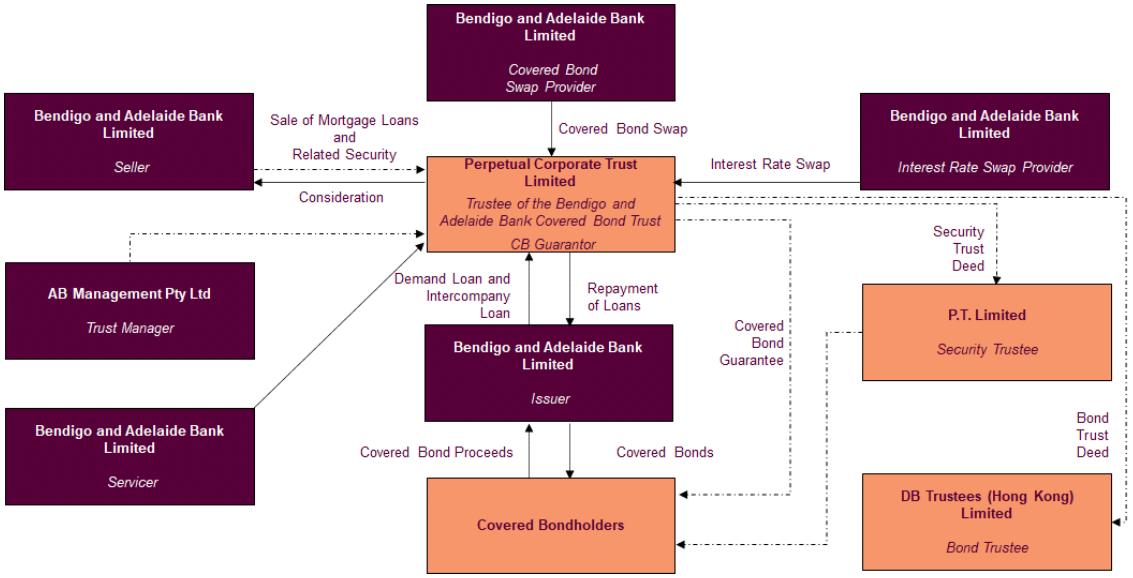
(c) neither a Banking Act statutory manager nor an external administrator (as defined in the Banking Act) in control of the Issuer's business has any powers in relation to an asset to the extent that the asset secures the liabilities to the Covered Bondholders, apart from the contractual powers of BEN; and

(d) a Banking Act statutory manager or external administrator has the same contractual obligations of the Issuer in relation to an asset to the extent that the asset secures the liabilities to the Covered Bondholders.

In addition to APRA's broad administrative powers under the Banking Act, the Financial Sector (Transfer and Restructure) Act 1999 of Australia gives APRA the power to compulsorily transfer some or all of the Issuer's (or its related body corporate's) assets and liabilities to another ADI in certain circumstances. The CB Guarantor is not a related body corporate of the Issuer for these purposes.

Under the Banking Act, APRA has power to facilitate the orderly resolution of the entities that it regulates (and their subsidiaries) in times of distress. Powers which could impact the Group and potentially the position of Covered Bondholders include oversight, management and directions powers in relation to the Issuer and other entities in the Group and statutory management powers over regulated entities within the Group. The Banking Act includes provisions which are designed to give statutory recognition to the conversion or write-off of regulatory capital instruments. As part of the measures to facilitate the orderly resolution of regulated entities, the Banking Act introduces moratoria which would restrict, among other things, the disposal of certain property or the commencement or continuation of certain enforcement action against, or the exercise of certain rights in respect of, property of the Issuer and other entities in the Group in circumstances where a Banking Act statutory manager is in control of the business of the relevant body corporate. However, under section 31B of the Banking Act, these moratoria do not prevent the exercise of a contractual right in relation to an asset that secures liabilities to the Covered Bondholders, if payments under the Covered Bonds are not made.

Structure Diagram



Structure Overview

Programme: Under the terms of the Programme, the Issuer will issue Covered Bonds to Covered Bondholders on each Issue Date. The Covered Bonds will be direct, unsecured and unconditional obligations of the Issuer.

Covered Bond Guarantee: Under the terms of the Bond Trust Deed, the CB Guarantor has provided a guarantee as to payments of interest and principal under the Covered Bonds. The CB Guarantor has agreed to pay an amount equal to the Guaranteed Amounts when the same shall become Due for Payment and which have otherwise been unpaid by the Issuer. The obligations of the CB Guarantor under the Covered Bond Guarantee constitute direct and (following service of a Notice to Pay or a CBG Acceleration Notice) unconditional obligations of the CB Guarantor, secured as provided in the Security Trust Deed. Recourse to the CB Guarantor in respect of its obligations under the Covered Bond Guarantee and the Transaction Documents is limited to such secured assets (the "**Collateral**"), which include, but are not limited to, the Loans acquired from time to time from the Seller pursuant to the terms of the Mortgage Sale Deed. The CB Guarantor holds the Loans and the other Collateral in accordance with the terms of the Transaction Documents. The CB Guarantor does not hold any other asset which does not form part of the Bendigo and Adelaide Bank Covered Bond Trust.

Under the Bond Trust Deed, the Bond Trustee will be required to serve a Notice to Pay on the CB Guarantor following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice pursuant to which, as against the Issuer (but not, for the avoidance of doubt, as against the CB Guarantor under the Covered Bond Guarantee), the Covered Bonds will become immediately due and repayable. A CBG Acceleration Notice may be served by the Bond Trustee on the CB Guarantor following the occurrence of a CBG Event of Default.

If a CBG Acceleration Notice is served, the Covered Bonds will (if an Issuer Acceleration Notice has not already been served) become immediately due and repayable as against the Issuer and the CB Guarantor's obligations under the Covered Bond Guarantee will be accelerated. Following service of a Notice to Pay or a CBG Acceleration Notice, payments made by the CB Guarantor under the Covered Bond Guarantee will be made subject to, and in accordance with, the Guarantee Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

Intercompany Loan Agreement: Under the terms of the Intercompany Loan Agreement, the Issuer in its capacity as Intercompany Loan Provider has agreed to make available to the CB Guarantor the Intercompany Loan Facility in an amount up to the Intercompany Loan Facility Limit. The Intercompany Loan Facility is a revolving multi-currency facility.

On each Issue Date for a Tranche of Covered Bonds it is anticipated that the Intercompany Loan Provider will make an Intercompany Loan Advance to the CB Guarantor in an amount equal to either:

(a) if a Current Covered Bond Swap is entered into on the relevant Issue Date, the Principal Amount Outstanding on the Issue Date of the relevant Tranche of Covered Bonds in the Specified Currency of that Tranche of Covered Bonds; or

(b) if a Contingent 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 Tranche of Covered Bonds,

and for a matching term.

Payments by the Issuer of amounts due under the Covered Bonds are not conditional upon receipt by the Intercompany Loan Provider of payments from the CB Guarantor pursuant to the Intercompany Loan Agreement. In accordance with the applicable Priority of Payments, amounts owed by the CB Guarantor under the Intercompany Loan Agreement will be subordinated to amounts owed by the CB Guarantor under the Covered Bond Guarantee following the service of a Notice to Pay or a CBG Acceleration Notice.

Proceeds of the Intercompany Loan: Each Intercompany Loan Advance made will be used by the CB Guarantor (in the case of an Intercompany Loan Advance which is not denominated in Australian Dollars, upon exchange into Australian Dollars in accordance with the applicable Current Covered Bond Swap):

(a) to purchase Loans and their Related Security from the Seller pursuant to the terms of the Mortgage Sale Deed; and/or

(b) to invest in Substitution Assets or Authorised Investments in accordance with the Participation Deed; and/or

(c) if an existing Series or Tranche of Covered Bonds is being refinanced (in whole or in part) by the issue of the further Tranche of Covered Bonds to which the Intercompany Loan Advance relates, to repay the Intercompany Loan Advance(s) corresponding to the Covered Bonds being so refinanced (after exchange into the currency of such Intercompany Loan Advance(s) being repaid, if necessary);

(d) subject to written confirmation from the Trust Manager that the Asset Coverage Test is met on the relevant Intercompany Loan Drawdown Date (both before and immediately following the making of the Intercompany Loan Advance), to make a repayment of the Demand Loan; and/or

(e) to make a deposit to the GI Account (including to fund the Reserve Fund Ledger in accordance with the Participation Deed).

Demand Loan Agreement: Under the terms of the Demand Loan Agreement, the Issuer in its capacity as Demand Loan Provider has agreed to make available to the CB Guarantor the Demand Loan Facility in an amount up to the Demand Loan Facility Limit. The Demand Loan is a revolving Australian Dollar facility.

The principal amount outstanding of the Demand Loan will be notionally split into two components:

(a) The Senior Portion Outstanding will be the amount notified by the Demand Loan Provider from time to time, provided that the amount so notified must not exceed (broadly) the amount which represents the excess of the amount of the Loans above the amount required to meet the Asset Coverage Test and the Legislated Asset Coverage Test.

(b) The non-Senior Portion Outstanding will be the remaining balance. In effect, the non-Senior Portion Outstanding will represent an amount not less than the amount of Loans over-collateralisation that the CB Guarantor is required to hold to meet the Asset Coverage Test and the Legislated Asset Coverage Test.

The Demand Loan Agreement contains provisions which require, in certain circumstances, the repayment of the Senior Portion Outstanding of the Demand Loan by an In Kind Distribution by the CB Guarantor to the Demand Loan Provider.

Other than in respect of the Senior Portion Outstanding of the Demand Loan (which is subject to the above In Kind Distribution provisions), amounts owed by the CB Guarantor under the Demand Loan Agreement will be subordinated to amounts owed by the CB Guarantor under the Covered Bond Guarantee following the service of a Notice to Pay or a CBG Acceleration Notice, in accordance with the applicable Priority of Payments.

Payments by the Issuer of amounts due under the Covered Bonds are not conditional upon receipt by the Demand Loan Provider of payments from the CB Guarantor pursuant to the Demand Loan Agreement.

Proceeds of the Demand Loan: The CB Guarantor will use the Demand Loan Advances made to it from time to time:

(a) to purchase Loans from the Seller in accordance with the Mortgage Sale Deed; and/or

(b) to invest in Substitution Assets or Authorised Investments in accordance with the Participation Deed; and/or

(c) to repay an Intercompany Loan Advance on the date on which the Tranche of Covered Bonds corresponding to such Intercompany Loan Advance matures; and/or

(d) to rectify a failure to satisfy the Asset Coverage Test; and/or

(e) to rectify an Interest Rate Shortfall; and/or

(f) to reimburse the Seller in respect of Further Advances; and/or

(g) to make a deposit to the GI Account (including to fund the Reserve Fund Ledger in accordance with the Participation Deed); and/or

(h) for such purpose as may be agreed from time to time between the CB Guarantor (at the direction of the Trust Manager) and the Demand Loan Provider.

As to paragraph (a) above, if, on an Assignment Date for any Loans, the aggregate of (1) the proceeds of the related Intercompany Loan Advance (if any) to be made on that date; and (2) the Available Principal Amount available to be applied in accordance with the Pre-Acceleration Principal Priority of Payments, is not sufficient to pay the Purchase Price for such Loans in full in accordance with the Mortgage Sale Deed, the Trust Manager (on behalf of the CB Guarantor) must request a Demand Loan Advance in an amount sufficient to allow the CB Guarantor to pay such Purchase Price in full.

Mortgage Sale Deed: Under the terms of the Mortgage Sale Deed, the consideration payable to the Seller for the sale of Loans and their Related Security to the CB Guarantor will comprise a cash payment in Australian Dollars made by the CB Guarantor, in the manner that the Seller directs, from the proceeds of an Intercompany Loan Advance , the proceeds of a Demand Loan Advance and/or Available Principal Amounts paid in accordance with the Pre-Acceleration Principal Priority of Payments.

In respect of each sale of Loans and their Related Security to the CB Guarantor by the Seller under the Mortgage Sale Deed, the Purchase Price will be calculated by reference to the Outstanding Principal Balance of such Loans as of the relevant Cut-Off Date and there shall be an adjustment made to the

Purchase Price on or before the second CBG Payment Date falling after the relevant Assignment Date to take account of (inter alia) arrears of interest and amounts received by the Seller under those Loans in the period from (but excluding) the Cut-Off Date in respect of those Loans to (but excluding) the relevant Assignment Date in respect of those Loans.

In certain circumstances, the Seller will be required to repurchase Loans if they do not materially comply with the applicable Representations and Warranties made in respect of those Loans on the relevant Assignment Date or if a Repurchase Event as described below occurs in respect of such Loans.

Security: To secure its obligations under the Covered Bond Guarantee and the Transaction Documents to which it is a party, the CB Guarantor has granted security over the Collateral (which consists principally of the CB Guarantor's interest in the Loans, the Substitution Assets, the Transaction Documents to which it is a party, the CBG Accounts and any Authorised Investments it holds) in favour of the Security Trustee (for itself and on behalf of the other Secured Creditors) pursuant to the Security Trust Deed.

Cashflows: Prior to service on the CB Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice and/or the realisation of the Security, the Trust Manager on behalf of the CB Guarantor will:

(a) apply the Available Income Amount to paying, among other things, Trust Expenses and fees and expenses payable or to become payable by the CB Guarantor, interest due to the Intercompany Loan Provider under the Intercompany Loan, interest due to the Demand Loan Provider under the Demand Loan, amounts due to the Interest Rate Swap Providers under the Interest Rate Swaps and to fund the Reserve Fund Ledger, in each case in accordance with the Pre-Acceleration Income Priority of Payments. For further details of the Pre-Acceleration Income Priority of Payments: see Cashflows below; and

(b) apply the Available Principal Amount to, among other things, acquiring Loans and their Related Security offered by the Seller to the CB Guarantor, making deposits in the GI Account to comply with the Asset Coverage Test, repaying principal due to the Intercompany Loan Provider under the Intercompany Loan Agreement and repaying principal due to the Demand Loan Provider under the Demand Loan Agreement, in each case in accordance with and subject to the Pre-Acceleration Principal Priority of Payments. For further details of the Pre-Acceleration Principal Priority of Payments: see *Cashflows* below.

Following service on the CB Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay or a CBG Acceleration Notice, the Trust Manager on behalf of the CB Guarantor will continue to apply the Available Income Amount and the Available Principal Amount as described above, except that, while any Covered Bonds remain outstanding:

(a) in respect of the Available Income Amount, no further amounts will be paid to the Intercompany Loan Provider under the Intercompany Loan Agreement, to the Demand Loan Provider under the Demand Loan Agreement (other than in respect of the Senior Portion Outstanding) or the Residual Income Unitholder by way of distribution of the remaining income of the CB Guarantor (but payments will, for the avoidance of doubt, continue to be made under the Interest Rate Swap): see Cashflows below; and

(b) in respect of the Available Principal Amount, no further amounts will be paid to the Intercompany Loan Provider under the Intercompany Loan Agreement or to the Demand Loan Provider under the Demand Loan Agreement: see *Cashflows* below.

Following service of a Notice to Pay on the CB Guarantor (but prior to service of a CBG Acceleration Notice), the Trust Manager on behalf of the CB Guarantor will apply the Available Income Amount and the Available Principal Amount to pay Guaranteed Amounts in respect of the Covered Bonds when the same shall become Due for Payment in accordance with the Guarantee Priority of Payments: see *Cashflows* below.

Following service of a CBG Acceleration Notice on the CB Guarantor, the Covered Bonds will become immediately due and repayable (if not already due and repayable following service of an Issuer Acceleration Notice) and the Bond Trustee will then have a claim against the CB Guarantor under the Covered Bond Guarantee for an amount equal to the Early Redemption Amount in respect of each Covered Bond together with accrued interest and any other amounts due under the Covered Bonds and the security created by the CB Guarantor over the Collateral will become enforceable. Any monies received or recovered (other than any Third Party Amounts, Trust Back Assets, Swap Collateral Excluded Amounts and Demand Loan Repayment Assets) will be distributed according to the Post-Enforcement Priority of Payments: see *Cashflows* below.

Asset Coverage: The Programme provides that the assets of the CB Guarantor are subject to an Asset Coverage Test in respect of the Covered Bonds. Accordingly, for so long as Covered Bonds remain outstanding, as of each Determination Date, the Adjusted Aggregate Loan Amount must be equal to or in excess of the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds as at the last day of the immediately preceding Calculation Period. The Asset Coverage Test will be tested by the Trust Manager on each Determination Date as of the last day of the immediately preceding Calculation Period. A breach of the Asset Coverage Test as of a Determination Date which is not remedied as of the immediately succeeding Determination Date will require the Bond Trustee to serve an Asset Coverage Test Breach Notice on the CB Guarantor. The Asset Coverage Test Breach Notice will be revoked if, as of the Determination Date immediately succeeding the date on which an Asset Coverage Test Breach Notice is served, the Asset Coverage Test is satisfied and neither a Notice to Pay nor a CBG Acceleration Notice has been served: see *Overview of the Principal Documents – Participation Deed – Asset Coverage Test*.

If an Asset Coverage Test Breach Notice has been delivered and has not been revoked:

(a) the application of the Available Income Amount and the Available Principal Amount will be restricted;

(b) the CB Guarantor must, at the direction of the Trust Manager, sell Selected Loans; and

(c) the Issuer will not be permitted to issue any further Series of Covered Bonds.

If an Asset Coverage Test Breach Notice has been served and not revoked on or before the Determination Date following service of such Asset Coverage Test Breach Notice, an Issuer Event of Default shall occur and the Bond Trustee shall be entitled (and in certain circumstances may be required), in each case subject to being indemnified and/or secured and/or pre-funded to its satisfaction, to serve an Issuer Acceleration Notice on the Issuer. Following service of an Issuer Acceleration Notice, the Bond Trustee must serve a Notice to Pay on the CB Guarantor.

Legislated Asset Coverage Test: In addition to the Asset Coverage Test, the Programme benefits from the Issuer's obligation to comply with the Banking Act requirement that the value of assets in a cover pool must be at least 103%, or such other percentage prescribed by regulation, of the face value of covered bonds secured by the assets (see *Structure Overview – Background and Australian legislative framework* above for more details). This is satisfied and is reflected in the Programme by the Legislated Asset Coverage Test, which will be satisfied as of a Determination Date if the Legislated Adjusted Aggregate Loan Amount (as at the last day of the immediately preceding Calculation Period) is at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds (as at the last day of the immediately preceding Calculation Period).

Amortisation Test: Following the service of a Notice to Pay (but prior to service of a CBG Acceleration Notice) and, for so long as Covered Bonds remain outstanding, as of each following Determination Date, the Amortisation Test Aggregate Loan Amount must be at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of the Covered Bonds as at the last day of the immediately preceding Calculation Period. The Amortisation Test will be carried out by the Trust Manager on each Determination Date as of the last day of the immediately preceding Calculation Period following service of a Notice to Pay. A breach of the Amortisation Test will constitute a CBG Event of Default. Following the occurrence of a CBG Event of Default, the Bond Trustee may and in certain circumstances shall, in each case subject to being indemnified and/or secured and/or pre-funded to its satisfaction, by service of a CBG Acceleration Notice,

accelerate the obligations of the CB Guarantor under the Covered Bond Guarantee and require all amounts under the Covered Bond Guarantee to become immediately due and payable. Thereafter, the Security Trustee may enforce the Security over the Collateral.

Interest Rate Swap Agreement: To provide a hedge against possible variances between the interest revenues received by the CB Guarantor, being primarily linked to the rates of interest payable on the Loans (which may, for instance, include variable rates of interest or fixed rates of interest) and any Substitution Assets and Authorised Investments, and the interest amounts payable under the Intercompany Loan, the Demand Loan, the Covered Bond Swaps and (following the service of a Notice to Pay) the Covered Bond Guarantee, the CB Guarantor has entered into the Interest Rate Swaps with the Interest Rate Swap Provider on the terms set out in the Interest Rate Swap Agreement.

Under the Fixed Rate Swap, the CB Guarantor has agreed to pay to the Interest Rate Swap Provider all Income Collections in respect of the Fixed Rate Loans in exchange for a payment by the Interest Rate Swap Provider of an amount calculated by reference to the BBSW Rate and the average Outstanding Principal Balance of all Fixed Rate Loans during the relevant calculation period.

Under the Basis Swap, the CB Guarantor has agreed to pay to the Interest Rate Swap Provider an amount equal the Available Income Amount (excluding all Income Collections in respect of the Fixed Rate Loans) in exchange for a payment by the Interest Rate Swap Provider of an amount which will be at least sufficient to pay all amounts (other than principal) under the Covered Bond Swaps (to the extent those amounts are payable in Australian Dollars) and the Intercompany Loan in accordance with the Pre-Acceleration Income Priority of Payments or (following service of a Notice to Pay, but prior to service of a CBG Acceleration Notice) the Guarantee Priority of Payments (including, in that case, Scheduled Interest that is Due for Payment under the Covered Bond Guarantee) plus, in each case, certain additional amounts.

Covered Bond Swap Agreement: Where Covered Bonds are issued in a currency and/or on an interest rate basis different to the basis for the amounts payable to the CB Guarantor under the Interest Rate Swaps, the CB Guarantor will enter into one or more Covered Bond Swaps with one or more Covered Bond Swap Providers. Each Covered Bond Swap may be either a **Contingent Covered Bond Swap** or a **Current Covered Bond Swap** under a Covered Bond Swap Agreement.

Where the CB Guarantor enters into a Contingent Covered Bond Swap, the related Intercompany Loan Advance made under the Intercompany Loan will be made in Australian Dollars, regardless of the currency of the relevant Series or Tranche, as applicable, of Covered Bonds.

Each Contingent Covered Bond Swap will provide a hedge (after service of a Notice to Pay on the CB Guarantor) against (i) certain interest rate, currency and/or other risks in respect of amounts received by the CB Guarantor under the Interest Rate Swaps; and (ii) amounts payable by the CB Guarantor under the Covered Bond Guarantee in respect of the Covered Bonds (after service of a Notice to Pay).

Each Current Covered Bond Swap will provide a hedge against (i) certain interest rate, currency and/or other risks in respect of amounts received by the CB Guarantor under the Interest Rate Swaps; and (ii) amounts payable by the CB Guarantor under the Intercompany Loan Agreement (prior to service of a Notice to Pay) and under the Covered Bond Guarantee in respect of the Covered Bonds (after service of a Notice to Pay).

Where required to hedge such risks, one or more Covered Bond Swap(s) will be entered into under a Covered Bond Swap Agreement in relation to each relevant Series or Tranche, as applicable, of Covered Bonds.

A Covered Bond Swap Agreement may relate to any number of Covered Bond Swaps in relation to any number of Series or Tranches of Covered Bonds.

Under the Contingent Covered Bond Swaps:

(a) the CB Guarantor will pay to the Covered Bond Swap Provider on each CBG Payment Date (or other date for payment specified in the relevant confirmation) after service of a Notice to Pay an amount in

Australian Dollars calculated by reference to the BBSW Rate for Australian Dollar deposits (for such period as specified in the relevant confirmation) or such other rate as may be specified in the relevant Confirmation, plus a spread; and

(b) in return, the Covered Bond Swap Provider will pay to the CB Guarantor, on each Interest Payment Date after service of a Notice to Pay (or, if a Notice to Pay is served on an Interest Payment Date, on the second Business Day following such Interest Payment Date), an amount equal to the amounts that are then payable by the CB Guarantor under the Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds.

Unless the Contingent Covered Bond Swap terminates earlier or the Confirmation for the Covered Bond Swap provides otherwise, 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 Covered Bond Swap Provider will pay to the CB 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 CB Guarantor of the Australian Dollar Equivalent of that amount.

Under the Current Covered Bond Swaps:

(a) if the related Intercompany Loan Advance is made in Australian Dollars:

(i) the CB Guarantor will pay to the Covered Bond Swap Provider on each CBG Payment Date (or other date for payment specified in the relevant confirmation) an amount in Australian Dollars calculated by reference to the BBSW Rate for Australian Dollar deposits (for such period as specified in the relevant confirmation) or such other rate as may be specified in the relevant Confirmation plus a spread; and

(ii) in return, the Covered Bond Swap Provider will pay to the CB Guarantor on each Interest Payment Date an amount in Australian Dollars calculated by reference to the rate of interest payable under the relevant Series or Tranche of Covered Bonds;

(b) if the related Intercompany Loan Advance is made in a currency other than Australian Dollars:

(i) on the relevant Issue Date:

(A) the CB Guarantor will pay to the Covered Bond Swap Provider an amount equal to the amount received by the CB Guarantor under the related Intercompany Loan Advance (being the aggregate nominal amount of such Series or Tranche, as applicable, of Covered Bonds); and

(B) in return the Covered Bond Swap Provider will pay to the CB Guarantor the Australian Dollar Equivalent of that amount

(ii) thereafter:

(A) the CB Guarantor will pay to the Covered Bond Swap Provider on each CBG Payment Date (or other date for payment specified in the relevant confirmation) an amount in Australian Dollars calculated by reference to the BBSW Rate for Australian Dollar deposits (for such period as specified in the relevant confirmation) or such other rate as may be specified in the relevant Confirmation plus a spread and the Australian Dollar Equivalent of the relevant portion of any principal due to be repaid in respect of the related Intercompany Loan Advance in accordance with the Intercompany Loan Agreement;

(B) in return the Covered Bond Swap Provider will pay to the CB Guarantor on each Interest Payment Date an amount in the relevant currency equal to the relevant

amounts payable by the CB Guarantor under the related Intercompany Loan Advance in accordance with the terms of the Intercompany Loan Agreement.

Unless the Current Covered Bond Swap terminates earlier or the Confirmation for the Covered Bond Swap provides otherwise, 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 Covered Bond Swap Provider will pay to the CB Guarantor an amount in the relevant currency equal to the principal then outstanding on the related Intercompany Loan Advance in exchange for payment by the CB Guarantor of the Australian Dollar Equivalent of that amount.

Extendable obligations under the Covered Bond Guarantee: An Extended Due for Payment Date will 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 Pricing Supplement. This means that if (i) the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on the Final Maturity Date (subject to the applicable grace period), (ii) a Notice to Pay has been served and (iii) the Trust Manager determines that the Guaranteed Amounts equal to the Final Redemption Amount of the relevant Series of Covered Bonds are not paid in full by the CB Guarantor on the date falling on the earlier of (a) the date which falls two Business Days after service of a Notice to Pay on the CB Guarantor or, if later, the Final Maturity Date (in each case subject to the applicable grace period) and (b) the Extension Determination Date (for example because, following service of a Notice to Pay, the CB Guarantor has insufficient monies available in accordance with the Guarantee Priority of Payments to pay in full the Guaranteed Amounts equal to the Final Redemption Amount of the relevant Series of Covered Bonds on the relevant date calculated in accordance with Condition 6(a) (*Final redemption*)), then payment of the unpaid portion of the Final Redemption Amount pursuant to the Covered Bond Guarantee shall be automatically deferred (without a CBG Event of Default occurring as a result of such non-payment). The unpaid portion of the Final Redemption Amount shall be due and payable on the Extended Due for Payment Date (subject to the applicable grace period and provided that the CB Guarantor may to the extent it has the funds available to it pay such unpaid portion of the Final Redemption Amount on any Interest Payment Date up until the Extended Due for Payment Date). The CB Guarantor will pay the Guaranteed Amounts constituting Scheduled Interest on each Original Due for Payment Date and on the Extended Due for Payment Date.

Servicing: BEN, in its capacity as Servicer, has entered into the Servicing Deed with the CB Guarantor and the Trust Manager, pursuant to which it has agreed to provide administrative services in respect of the Loans and their Related Security sold by the Seller to the CB Guarantor.

Reliance on Third Parties: The CB Guarantor relies on the third-party servicer to provide other servicing functions in relation to the Loans. Failure of the Servicer to perform these functions could affect payment on the Covered Bonds. Further, the CB Guarantor will rely, in certain circumstances, on the Trust Manager directing it to take certain action, before the CB Guarantor becomes obligated to take such action. Additionally, the CB Guarantor relies on swap providers to hedge against possible variances in the interest revenues received by the CB Guarantor which are primarily linked to the rates of interest payable on the Loans and to hedge against interest rate and currency risks in respect of amounts received by the CB Guarantor under the Interest Rate Swap and amounts payable by the CB Guarantor under the Covered Bond Guarantee. The performance of the Swap Providers and the CB Guarantor under their mutual swap agreements can affect both the rating of, and payment on, the Covered Bonds.

Further Information: For a more detailed description of the transactions summarised above relating to the Covered Bonds see, among other relevant sections of this Prospectus, *Risk Factors, Overview of the Programme, Terms and Conditions of the Covered Bonds, Overview of the Principal Documents, Credit Structure, Cashflows and The Loans* below.

OVERVIEW OF THE PROGRAMME

The following overview describes the Programme, including the Covered Bonds, the Covered Bond Guarantee and related documents, in general terms only and 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 Tranche of Covered Bonds, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). You should read the overview together with the more detailed information that is contained in the remainder of this Prospectus (including the *Terms and Conditions of the Covered Bonds* section) and in relation to any particular Tranche of Covered Bonds, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement). Words and expressions defined elsewhere in this Prospectus shall have the same meanings in this overview. A glossary of certain defined terms is contained at the end of this Prospectus.

Issuer:	Bendigo and Adelaide Bank Limited (ABN 11 068 049 178) (Legal Entity Identifier (**LEI**): 549300Y9URD6W70K0360), a company incorporated in Australia under the Corporations Act. For a more detailed description of the Issuer, see *Bendigo and Adelaide Bank Limited* below.
CB Guarantor:	Perpetual Corporate Trust Limited (ABN 99 000 341 533) in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust. The Bendigo and Adelaide Bank Covered Bond Trust is a special purpose trust, the assets of which are available to satisfy *inter alia* the obligations under the Covered Bond Guarantee, and in connection with, and for the purpose of, giving the Covered Bond Guarantee, *inter alia*, the CB Guarantor will acquire the equitable title to the Loans and their Related Security from the Seller pursuant to the terms of the Mortgage Sale Deed for the Bendigo and Adelaide Bank Covered Bond Trust. The CB Guarantor holds an interest in the Loans and the other Collateral in accordance with the terms of the Transaction Documents. The CB Guarantor has provided a guarantee covering all Guaranteed Amounts when the same shall become Due for Payment following service of an Issuer Acceleration Notice and a Notice to Pay or a CBG Acceleration Notice. The obligations of the CB Guarantor under the Covered Bond Guarantee and the other Transaction Documents to which it is a party are secured by the assets from time to time of the Bendigo and Adelaide Bank Covered Bond Trust and recourse against the CB Guarantor is limited to such assets. For a more detailed description of the CB Guarantor, see *Bendigo and Adelaide Bank Covered Bond Trust* below.
Trust Manager:	AB Management Pty Ltd (ABN 75 070 500 855) ("**ABM**"), a company incorporated in Australia under the Corporations Act, has agreed to act as Trust Manager to the CB Guarantor pursuant to the terms of the Trust Management Deed and has the right, power and authority to act for and on behalf of the CB Guarantor in respect of certain matters.

Seller:	Bendigo and Adelaide Bank Limited (ABN 11 068 049 178), which is in the business of originating residential mortgage loans and other banking activities. For a more detailed description of the Seller, see *Bendigo and Adelaide Bank Limited* below.
Intercompany Loan Provider:	Bendigo and Adelaide Bank Limited (ABN 11 068 049 178).
Demand Loan Provider:	Bendigo and Adelaide Bank Limited (ABN 11 068 049 178).
Servicer:	Bendigo and Adelaide Bank Limited (ABN 11 068 049 178) has been appointed to service, on behalf of the CB Guarantor, the Loans and Related Security pursuant to the terms of the Servicing Deed. For a more detailed description of the Servicer, see *Bendigo and Adelaide Bank Limited* below.
Agents:	The Principal Paying Agent, Transfer Agent, Paying Agent, Registrar and Australian Agent and Registrar as described below.
Principal Paying Agent, Transfer Agent and Paying Agents:	Deutsche Bank AG, Hong Kong Branch has been appointed pursuant to the Offshore Agency Agreement as issuing and principal paying agent and transfer agent. Additional paying agents ("**Paying Agents**") may also be appointed from time to time.
Registrar:	Deutsche Bank AG, Hong Kong Branch has been appointed pursuant to the Agency Agreement as registrar.
Australian Agent and Registrar:	Austraclear Services Limited has been appointed pursuant to the Australian Agency Agreement to act as Australian registrar and issuing and paying agent.
Bond Trustee:	DB Trustees (Hong Kong) Limited has been appointed to act as bond trustee on behalf of the Covered Bondholders in respect of the Covered Bonds and holds the benefit of, *inter alia*, the Covered Bond Guarantee on behalf of the Covered Bondholders pursuant to the Bond Trust Deed.
Security Trustee:	P.T. Limited (ABN 67 004 454 666), has been appointed to act as security trustee to hold the benefit of the security granted by the CB Guarantor to the Security Trustee (for itself, the Covered Bondholders and the other Secured Creditors) under the Security Trust Deed. The Security Trustee has a limited role and, unless any Transaction Document expressly records that the Security Trustee may act in its discretion, the Security Trustee will not be bound to act unless directed to do so by the Bond Trustee or (if there are no Covered Bonds outstanding) the Secured Creditors.
Asset Monitor:	A reputable institution, acceptable to the Rating Agencies, appointed pursuant to the Asset Monitor Agreement, as an independent monitor to, among other things, perform tests in respect of the Legislated Asset Coverage Test, the Asset Coverage Test and the Amortisation Test when required. The initial Asset Monitor is Ernst & Young.

Covered Bond Swap Provider:	Each Swap Provider which agrees to act as a provider of a Covered Bond Swap to the CB Guarantor. In the event that the ratings of the Covered Bond Swap Provider fall below a specified ratings level, the Covered Bond Swap Provider will be required to obtain a guarantee of its obligations from an appropriately rated guarantor or put in place other appropriate credit support arrangements (including posting collateral or transferring the covered bond swap arrangements to another appropriately rated covered bond swap provider). For a more detailed description of the Covered Bond Swap Provider, see *Bendigo and Adelaide Bank Limited* below.
Interest Rate Swap Provider:	The initial Interest Rate Swap Provider is Bendigo and Adelaide Bank Limited (ABN 11 068 049 178). In the event that the ratings of the Interest Rate Swap Provider fall below a specified ratings level, the Interest Rate Swap Provider will be required to obtain a guarantee of its obligations in respect of the Fixed Rate Swap from an appropriately rated guarantor or put in place other appropriate credit support arrangements in respect of the Fixed Rate Swap (including posting collateral or transferring the interest rate swap arrangements to another appropriately rated interest rate swap provider). For a more detailed description of the Interest Rate Swap Provider, see *Bendigo and Adelaide Bank Limited* below.
Account Bank:	National Australia Bank Limited has agreed to act as Account Bank to the CB Guarantor pursuant to the Bank Account Agreement.
Programme description:	Global Covered Bond Programme.
Arrangers:	Barclays Bank PLC and National Australia Bank Limited.
Dealers:	To be selected from time to time in accordance with the terms of the Programme Agreement in respect of any issuance of Covered Bonds. As at the date of this Prospectus, the Dealers are Barclays Bank PLC and National Australia Bank Limited.
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 be issued only in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time. There are restrictions on the offer, sale and transfer of Covered Bonds in Australia, New Zealand, the United States, the UK, the EEA, Hong Kong, Japan, Singapore, Canada, Italy, Switzerland, Korea, Republic of China and Macau. Other restrictions may apply in connection with the offering and sale of a particular Tranche of Covered Bonds. See *Subscription and Sale and Transfer and Selling Restrictions* below.
Programme size:	Up to A$6,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time as described herein. The Issuer may increase the amount

	of the Programme in accordance with the terms of the Programme Agreement.
Distribution and Transfer Restrictions:	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 *Subscription and Sale and Transfer and Selling Restrictions* below.
Specified Currency:	Subject to any applicable legal or regulatory restrictions, 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).
Maturities:	The Covered Bonds will have such maturities as may be agreed between the Issuer and the relevant Dealer(s) and indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by any relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Covered Bonds may be issued at par or at a premium or discount to par on a fully-paid basis.
Form of Covered Bonds:	The Covered Bonds (other than the Australian Domestic Covered Bonds) will be issued in bearer or registered form as described in *Form of the Covered Bonds*. Registered Covered Bonds will not be exchangeable into Bearer Covered Bonds and Bearer Covered Bonds will be exchangeable into Registered Covered Bonds only in certain circumstances. Australian Domestic Covered Bonds will be issued in uncertificated registered form. No certificate or other evidence of title will be issued in respect of the Australian Domestic Covered Bonds. Principal and interest on Covered Bonds in bearer form will only be payable outside the United States and its possessions.
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) (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: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; (b) subject to the application of the fallbacks described in Condition 4 and the benchmark discontinuation provisions

described in Condition 5 of the Terms and Conditions, on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(c) on such other basis 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.

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.

Other provisions in relation to Floating Rate Covered Bonds: Floating Rate Covered Bonds may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both (as indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement). Interest on Floating Rate Covered Bonds in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, in each case as may be agreed between the Issuer and the relevant Dealer(s).

Exempt Covered Bonds The Issuer may agree with any Dealer that Exempt Covered Bonds may be issued in a form not contemplated by the Terms and Conditions of the Covered Bonds, in which event the relevant provisions will be included in the applicable Pricing Supplement, which will replace, modify or supplement those Terms and Conditions.

Benchmark discontinuation In the case of Floating Rate Covered Bonds:

(a) where the Floating Rate Covered Bonds reference a benchmark other than SOFR, SARON, BBSW Rate or AONIA Rate, if the Issuer determines that a Benchmark Event has occurred, the relevant benchmark or screen rate may be replaced by a Successor Rate or, if there is no Successor Rate but the Issuer determines there is an Alternative Rate (acting in good faith and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser), such Alternative Rate. An Adjustment Spread may also be applied to the Successor Rate or the Alternative Rate (as the case may be), together with any Benchmark Amendments (which in the case of any Alternative Rate, any Adjustment Spread unless formally recommended or provided for and any Benchmark Amendments shall be determined by the Issuer, acting in good faith and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser);

(b) where the Floating Rate Covered Bonds reference SOFR as the benchmark, if the Issuer determines that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the relevant

benchmark will be replaced by the relevant SOFR Benchmark Replacement. Modifications to the Terms and Conditions and/or the Agency Agreement which are necessary to implement to SOFR Benchmark Replacement may be made subject to and in accordance with Condition 4(b)(ii)(D)(2);

(c) where the Floating Rate Covered Bonds reference SARON as the benchmark, if the Issuer determines that a SARON Index Cessation Event and its related SARON Index Cessation Effective Date have occurred, the relevant benchmark will be replaced by the relevant SARON Replacement. Modifications to the Terms and Conditions and/or the Agency Agreement which are necessary to implement to SARON Replacement may be made subject to and in accordance with Condition 4(b)(ii)(D)(3); or

(d) where the Floating Rate Covered Bonds reference BBSW Rate or AONIA Rate as the benchmark, if the Issuer determines that a Temporary Disruption Trigger or Permanent Discontinuation Trigger has occurred, the relevant benchmark will be replaced by the relevant Fallback Rate or such other rate as determined pursuant to the Terms and Conditions.

For further information, see Condition 5.

Redemption: The applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement relating to each Tranche of Covered Bonds will indicate either that such Covered Bonds cannot be redeemed prior to their stated maturity (other than for taxation reasons) or that such Covered Bonds will be redeemable at the option of:

(a) the Issuer upon giving not less than 30 nor more than 60 days' irrevocable notice (or such other period of notice (if any) as is indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) to the Bond Trustee, the Principal Paying Agent, the Australian Agent (in the case of the redemption of Australian Domestic Covered Bonds) and the Covered Bondholders; or

(b) the Covered Bondholders upon giving to the Issuer not less than 30 nor more than 60 days' written notice (or such other period of notice (if any) as is indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement) before the relevant Optional Redemption Date (Put) (as defined below), of a duly completed irrevocable Put Notice (as defined below) with any Paying Agent (in the case of the redemption of a Covered Bond in definitive form and held outside Euroclear and Clearstream), upon notice to the Principal Paying Agent (in the case of the redemption of a Global Covered Bond held through Euroclear or Clearstream), upon notice to the Australian Agent (in the case of the redemption of Australian Domestic Covered Bonds lodged in the Austraclear System) or upon notice to

the Australian Agent together with any evidence the Australian Agent may require to establish title of the Covered Bondholder to the relevant Covered Bond (in the case of the redemption of Australian Domestic Covered Bonds held outside of the Austraclear System, in each case on one or more specified dates prior to their 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) (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 the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement (or after expiry of the grace period set out in Condition 10(a)(i) (*Issuer Events of Default*)) and, following the service of a Notice to Pay on the CB Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Trust Manager determines that the CB 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 CB Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 10(a)(i) (*Issuer Events of Default*)) under the terms of the Covered Bond Guarantee and;

(b) the Extension Determination Date, then (subject as provided below) payment of the unpaid amount in respect of that Series of Covered Bonds by the CB Guarantor under the Covered Bond Guarantee will be deferred until the Extended Due for Payment Date.

In such circumstances, the Trust Manager must direct the CB Guarantor to, and upon receiving such direction the CB Guarantor must, on the earlier of (a) and (b) above, 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) rateably in part payment of an amount equal to the Final Redemption Amount of each Covered Bond of the relevant Series of Covered Bonds and will pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Covered Bond on such date. The obligation of the CB 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 CB Guarantor will not constitute a CBG Event of Default, provided that 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 CB Guarantor (at the direction of the Trust Manager) on any Interest Payment Date thereafter up to (and including) the Extended Due for Payment Date.

Denomination of Covered Bonds:	The Covered Bonds (other than the Australian Domestic 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 save that, except in certain limited circumstances, 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 rounded to an appropriate amount as agreed between the Issuer and the Dealer(s)) or 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. Australian Domestic Covered Bonds will be issued in a single denomination only. Unless otherwise stated in the applicable Final Terms, the denomination of each Australian Domestic Covered Bond will be A$100,000 and the aggregate consideration payable by each offeree or invitee is a minimum of A$500,000 (or its equivalent in an alternative currency and, in either case, disregarding monies lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act.
Taxation:	All payments in respect of the Covered Bonds will be made without deduction or withholding for or on account of any present or future Taxes, save as may be required by Law. If any such deduction or withholding for or on account of Taxes imposed by Australia or (in the case of Covered Bonds issued by a branch of the Issuer located outside Australia) the jurisdiction, country or territory in which such branch is located is required by Law, the Issuer will, save as provided in Condition 8 (*Taxation*), be required to pay additional amounts in respect of the amounts so deducted or withheld. Under the Covered Bond Guarantee, the CB Guarantor will not be obliged to pay any amount in respect of the additional amounts payable by the Issuer under Condition 8 (*Taxation*), or to pay any additional amount in respect of deductions or withholdings that it may be required to make in respect of any payments made under the Covered Bond Guarantee.
Cross Default:	If an Issuer Acceleration Notice is served in respect of any one Series of Covered Bonds, then the obligations of the Issuer (but not the CB Guarantor) to pay all amounts in respect of each Series of Covered Bonds then outstanding will be accelerated. If a CBG Acceleration Notice is served in respect of any one Series of Covered Bonds, then the obligation of the CB Guarantor to pay Guaranteed Amounts in respect of all Series of Covered Bonds then outstanding will be accelerated.
Status of the Covered Bonds:	The Covered Bonds and any relevant Coupons will 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 obligations preferred by mandatory provisions of applicable law).

	The Issuer's indebtedness under the Covered Bonds will not be a protected account for the purposes of the Financial Claims Scheme in Division 2AA of Part II of the Australian Banking Act and will not be a deposit liability of the Issuer for the purposes of the Australian Banking Act and is not guaranteed or insured by any government, government agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction.
Covered Bond Guarantee:	The payment of Guaranteed Amounts in respect of the Covered Bonds when the same become Due for Payment will be unconditionally and irrevocably guaranteed by the CB Guarantor as set out in the Bond Trust Deed. The obligations of the CB Guarantor under the Covered Bond Guarantee to make payment in respect of the Guaranteed Amounts when Due for Payment are subject to the condition that (in the case where an Issuer Event of Default has occurred) the Bond Trustee has served an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the CB Guarantor or (in the case where a CBG Event of Default has occurred) the Bond Trustee has served a CBG Acceleration Notice on the Issuer and the CB Guarantor, following which the obligations of the CB Guarantor under the Covered Bond Guarantee will accelerate against the CB Guarantor. The obligations of the CB Guarantor under the Covered Bond Guarantee constitute direct obligations of the CB Guarantor secured against the assets from time to time of the Bendigo and Adelaide Bank Covered Bond Trust and recourse against the CB Guarantor is limited to such assets.
Interest Rate Swap Agreement:	To provide a hedge against possible variances between the interest revenues received by the CB Guarantor, being primarily linked to the rates of interest payable on the Loans (which may, for instance, include variable rates of interest or fixed rates of interest) and any Substitution Assets and Authorised Investments, and the interest amounts payable under the Intercompany Loan, the Demand Loan, the Covered Bond Swaps and (following the service of a Notice to Pay) the Covered Bond Guarantee, the CB Guarantor has entered into the Interest Rate Swaps with the Interest Rate Swap Provider on the terms set out in the Interest Rate Swap Agreement.
Covered Bond Swap Agreement:	To provide a hedge against certain interest rate, currency and/or other risks in respect of amounts received by the CB Guarantor under the Interest Rate Swaps and amounts payable by the CB Guarantor under the Intercompany Loan Agreement (prior to service of a Notice to Pay) and under the Covered Bond Guarantee (after service of a Notice to Pay), the CB Guarantor will enter into one or more Covered Bond Swaps with one or more Covered Bond Swap Providers.
Ratings:	Covered Bonds to be issued under the Programme are expected to be rated by Fitch and Moody's and such ratings will be specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement. Fitch and Moody's are not established in the European Union or in the UK, and have not applied for registration under 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**"). Fitch Ratings Ireland Limited currently endorses the international credit ratings published by Fitch and Moody's Deutschland GmbH currently endorses global scale credit ratings issued by Moody's, for regulatory purposes in the European Union in accordance with the CRA Regulation. Fitch Ratings Ireland Limited and Moody's Deutschland GmbH are established in the European Union and registered under the CRA Regulation. As such, each of Fitch Ratings Ireland Limited and Moody's Deutschland GmbH is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation. Fitch Ratings Ltd currently endorses the international credit ratings published by Fitch and Moody's Investors Service Limited currently endorses global scale credit ratings issued by Moody's, for regulatory purposes in the UK in accordance with the UK CRA Regulation. There can be no assurance that such endorsement of the credit ratings of Moody's and Fitch will continue. Each of Fitch Ratings Limited and Moody's Investors Service Ltd is established in the UK and is registered in accordance with the UK CRA Regulation. As such, as at the date of this Prospectus, it appears on the list of credit rating agencies registered or certified with the FCA published on its website. The European Securities and Markets Authority has indicated that ratings issued in Australia which have been endorsed by Fitch Ratings Ireland Limited and Moody's Deutschland GmbH may be used in the EU by the relevant market participants. The ratings issued by Moody's Investors Service Ltd and Fitch Ratings Limited may be used for regulatory purposes in the UK in accordance with the UK CRA Regulation. References in this Prospectus to Fitch and/or Moody's shall be construed accordingly.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or Part 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 Prospectus and anyone who receives this Prospectus must not distribute it to any person who is not entitled to receive it.

In general, European regulated investors are restricted under the EU 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 EU 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 an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

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 EU 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.

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. A credit rating may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

The Rating Agencies are not advisors, 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 rating should not be viewed as a replacement for such advice or services.

Clearing Systems:

The Covered Bonds will be eligible to clear through any of the Clearing Systems as indicated in the relevant Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement). It is anticipated that Regulation S Covered Bonds will clear through Euroclear and/or Clearstream.

Covered Bonds may be cleared through a Clearing System or, particularly in the case of Definitive Covered Bonds, may not be cleared through any Clearing System. Covered Bonds may also be cleared through a clearing system other than the Clearing Systems, as may be agreed between the Issuer, the Bond Trustee and the Principal Paying Agent in relation to each issue. The Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) relating to each Tranche of the Covered Bonds will state whether or not the Covered Bonds are to be cleared and, if so, in which clearing system.

Australian Domestic Covered Bonds may be transacted through the Austraclear System as well as through Euroclear, Clearstream and/or any other Clearing System specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement.

	Australian Domestic Covered Bonds which are held in the Austraclear System will be registered in the name of Austraclear Limited (Austraclear). Payments through the Austraclear System may only be made in Australian Dollars. Interests in Australian Domestic Covered Bonds traded in the Austraclear System may be held in Euroclear and/or Clearstream. In these circumstances, entitlements in respect of holdings of interests in Australian Domestic Covered Bonds in Euroclear would be held in the Austraclear System by a nominee of Euroclear (currently HSBC Custody Nominees (Australia) Limited), while entitlements in respect of holdings of interests in Australian Domestic Covered Bonds in Clearstream would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian for Clearstream. Australian Domestic Covered Bonds which are held in Euroclear and/or Clearstream and not registered in the name of Austraclear will be registered in the name of a nominee for a common depositary for Euroclear and/or Clearstream, as the case may be. Australian Domestic Covered Bonds which are held in any other Clearing System will be registered in the name of the nominee or depositary for that Clearing System.
Listing and admission to trading:	Application has been made to admit the Covered Bonds (other than Exempt Covered Bonds) issued under the Programme and pursuant to this Prospectus to the Official List and to admit the Covered Bonds to trading on the main market of the London Stock Exchange. Neither Perpetual Corporate Trust Limited (in its personal capacity or as CB 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 stock exchanges or regulated or any other markets, as may be agreed between the Issuer, the CB Guarantor, the Bond Trustee and the relevant Dealer in relation to each issue. The Pricing Supplement relating to each Series or Tranche of the Exempt Covered Bonds will state whether or not the Covered Bonds are to be listed or admitted to trading and, if so, on which stock exchange(s) or markets.
Governing law:	The Mortgage Sale Deed, the Servicing Deed, the Participation Deed, the Asset Monitor Agreement, the Trust Deed, the Interest Rate Swap Agreement, each Covered Bond Swap Agreement, the Trust Management Deed, the Bank Account Agreement, the Security Trust Deed, the Demand Loan Agreement, the Intercompany Loan Agreement, the Common Terms Deed, the Australian Agency Agreement, Clauses 2.4 (“Covenant to repay principal and to pay interest”) (to the extent that it relates to the Australian Domestic Covered Bonds), 3.4 (“Australian Domestic Covered Bonds”) and 32 (“Limited Recourse”) of the Bond Trust Deed, Clause 40.2 (“Limitation of Liability of the CB Guarantor”) of the Offshore Agency Agreement

	and Clause 19 (“Limited Recourse”) of the Programme Agreement are governed by the laws of New South Wales, Australia. The Covered Bonds (other than the Australian Domestic Covered Bonds), the Bond Trust Deed (including the Covered Bond Guarantee and except for Clauses 2.4 (“Covenant to repay principal and to pay interest”) (to the extent that it relates to the Australian Domestic Covered Bonds), 3.4 (“Australian Domestic Covered Bonds”) and 32 (“Limited Recourse”)), the Offshore Agency Agreement (except for Clause 40.2 (“Limitation of Liability of the CB Guarantor”))), the Programme Agreement (except for Clause 19 (“Limited Recourse”)), together with any non-contractual obligations arising out of or in connection with any of them, are governed by, and construed in accordance with, English law. The courts of England shall have non-exclusive jurisdiction to settle any dispute arising from or in connection with the Covered Bonds (unless the Covered Bonds are Australian Domestic Covered Bonds). Australian Domestic Covered Bonds will be governed by the laws of New South Wales, Australia. The courts of New South Wales, Australia will have non-exclusive jurisdiction to settle any dispute arising from or connected with the Australian Domestic Covered Bonds.
Limited right of Covered Bondholders to bring direct action against the Issuer and CB Guarantor:	No Covered Bondholder or Couponholder will be entitled to proceed directly against the Issuer or the CB Guarantor or to take any action with respect to the Bond Trust Deed any other Transaction Document, the Covered Bonds or the Coupons unless the Bond Trustee having become bound to so proceed or to instruct the Security Trustee to so proceed, fails to do so within a reasonable period and such failure shall be continuing (in which case each of such Covered Bondholder or Couponholder shall be entitled to take any such steps or proceedings as it shall deem necessary other than the presentation of a petition for the winding-up of, or for an administration order in respect of, the Issuer or the CB Guarantor). Only the Security Trustee (acting on the directions of the Bond Trustee) may pursue the remedies available under the general law or under the Security Trust Deed to enforce the Security and no Secured Creditor will be entitled to proceed directly against the CB Guarantor to enforce the Security.

RISK FACTORS

The Issuer believes that the factors described below represent the material risks inherent in investing in the Covered Bonds issued under the Programme. However, the inability of the Issuer and the CB Guarantor to pay interest, principal or other amounts on or in connection with any Covered Bonds may occur for other reasons which are not considered to be significant or which are currently unknown or which the Issuer is unable to anticipate, and accordingly the Issuer does not represent that the statements below regarding the risks of holding any Covered Bonds are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement and reach their own views prior to making any investment decision.

Prospective investors should consult their own financial and legal advisers about risks associated with investment in the Covered Bonds and the suitability of investing in the Covered Bonds in light of their particular circumstances.

Words and expressions defined in the Terms and Conditions of the Covered Bonds below or elsewhere in this Prospectus have the same meanings in this section. References to "the Group" are references to the Issuer and its consolidated subsidiaries.

RISK FACTORS RELATING TO THE ISSUER

Privacy and cybersecurity risk

The Issuer processes, stores and transmits large amounts of personal and confidential information through its technology systems and networks and the technology systems and networks of its external service providers. Threats to information security are constantly evolving and techniques used to perpetrate cyber-attacks are increasingly sophisticated. In addition, the number, nature and resources of adverse actors that could pose a cyber threat to the Issuer is growing, including individual cybercriminals, criminal or terrorist syndicate networks and large sophisticated foreign governments with significant resources and capabilities.

Although the Issuer invests in protecting the confidentiality, integrity and availability of this information, the Issuer may not always be able to anticipate a security threat, or be able to implement effective information security policies, procedures and controls to prevent or minimise the resulting damage. The Issuer may also inadvertently retain information which is not specifically required or is not permitted by legislation, thus increasing the impact of a potential data breach or non-compliance. Additionally, the Issuer uses select external providers (in Australia and overseas) to process and store confidential data and to develop and provide its technology services, including the increasing use of cloud infrastructure. While the Issuer negotiates comprehensive risk-based controls with its service providers, it is limited in its ability to monitor and control the security protocols that service providers implement on a day-to-day basis. The Issuer may also submit confidential information to its key regulators under a legal obligation and as part of regulatory reporting.

A breach of security at any of these external providers, regulators or within the Group may result in operational disruption, theft or loss of customer or employee data, a breach of privacy laws, regulatory enforcement actions, customer or employee redress, litigation, financial losses, or loss of market share, property or information. This may be wholly or partially beyond the control of the Issuer and may adversely impact its financial performance and position. In addition, any such event may give rise to increased regulatory scrutiny or adversely affect the view of ratings agencies. Social media commentary and the Issuer's responses to the relevant event may exacerbate the impact on the Issuer's reputation.

Financial crime risk

The Issuer is subject to a wide range of financial crimes regulations, such as anti-money laundering and counter-terrorism financing laws, anti-bribery and corruption laws and sanctions laws. As a result of the ongoing conflict in Ukraine, there is an unprecedented volume of sanctions being applied by regulators globally to Russia, and potentially other governments. While regulators across the United States, Europe and Australia are largely united with respect to these sanctions, the nuances and specific restrictions are not

fully aligned. As a result, the Issuer is subject to heightened operational and compliance risks in navigating transactions and dealings that may be affected by these additional sanctions laws. This heightened risk is expected to continue and increase as the conflict in the region persists.

While the Issuer has policies, systems and controls in place that are designed to manage its financial crime obligations (including its reporting obligations in respect of matters such as International Funds Transfer Instructions, Threshold Transaction Reports and Suspicious Matter Reports) these may not in the future always be effective.

To the extent that the Issuer is found to have failed, or in the future fails, to comply with its obligations under these laws, the Issuer may face regulatory enforcement action or other sanctions including litigation, fines, civil and criminal penalties, customer compensation obligations and enforceable undertakings. Non-compliance with these obligations could also lead to litigation commenced by third parties (including class action proceedings), regulatory action and sanctions imposed by regulators, as well as adverse media coverage, all of which may also result in reputational damage. In addition, due to the large volume of transactions that the Issuer processes, an undetected failure or the ineffective implementation, monitoring or remediation of a policy, system or control has the potential to result in multiple breaches of the Issuer's obligations under these laws which, in turn, could give rise to significant monetary penalties for the Issuer.

These actions and events could, either individually or in aggregate, adversely affect the Issuer's business, prospects, reputation and financial performance and position.

Credit and impairment risk

As a financial institution, the Issuer is exposed to the risks associated with extending credit to other parties. Credit risk is the risk of financial loss if any of its customers or counterparties fail to fulfil their contractual obligations. Less favourable business or economic conditions, whether generally or in a specific industry sector or geographic region, could cause customers to experience an adverse financial situation, thereby exposing the Issuer to the increased risk that those customers will fail to meet their obligations in accordance with agreed terms.

The Issuer is predominantly exposed to credit risk as a result of its lending activities as well as counterparty exposures arising from the activities of its Group Treasury and the use of derivative contracts. As with any financial services organisation, the Issuer assumes counterparty risk in connection with its lending, trading, derivatives and other activities where it relies on the ability of a third party to satisfy its financial obligations to the Issuer on a timely basis. The Issuer could also be subject to the risk that its rights against borrowers or third parties are not enforceable in certain circumstances.

The Issuer holds two types of provisions for credit impairment: the Collective Provision and Specific Provisions. The Collective Provision is held against currently unidentified losses across loan portfolios with similar risk characteristics and against a general deterioration in the loan book. The Collective Provision is determined through credit risk modelling, and considers prevailing and future economic conditions and may include overlays based on management's judgement of other relevant factors. The Issuer also holds Specific Provisions against identified non-performing loans which it assesses as unlikely to be repaid in full and the value of collateral is not expected to be enough to cover the outstanding amount.

Credit losses can and have resulted in financial services organisations realising significant losses and in some cases failing altogether. Material unexpected credit losses could have an adverse effect on the Issuer's business, operations and financial performance and position.

Economic conditions risk

The Issuer's revenues and earnings are dependent on economic activity and the level of financial services its customers require. In particular, lending is dependent on customer and investor confidence, the state of the economy, the residential lending market and prevailing market interest rates in Australia. These factors are, in turn, impacted by both domestic and international economic and political events, natural disasters (including pandemics and endemics), cyberattacks and the general state of the global economy (including

the current inflationary environment). A future downturn in the Australian economy or disruption to Australian or global markets could cause a reduction in demand for the Issuer's products and an increase in customer defaults, which may ultimately adversely impact the Issuer's operations, liquidity, capital resources and financial performance and position. Additionally, these events may undermine confidence in the financial system to further reduce liquidity and impair access to funding, which may adversely affect the Issuer's customers and counterparties, and ultimately, the Issuer's financial position.

Australia's economy recovered resiliently from the pandemic and associated lockdowns of 2020-2021 to record economic growth of 5.9% year-on-year in the September quarter, before decelerating to 2.7% annual growth in December 2022. The 2020 recession in Australia as was the case in much of the world arose from a deliberate choice by authorities to close the economy and prioritise health over economic growth; however stimulus measures including wage subsidies, grants and income support for individuals, and business grants and support programmes all proved to be highly effective, hand in hand with the RBA cutting official interest rates to 0.1%. National unemployment fell from a pandemic high of 7.5% in July 2020 to a fifty-year low of 3.4% in October 2022. During this period inflation began to rise due to significant supply constraints, exacerbated by the Russian invasion of Ukraine and weather-related disruptions locally, with the Consumer Price Index increasing from -0.3% in June 2020 to +7.8% (year on year) in December 2022.

The primary economic challenge facing the domestic economy is the impact of higher official interest rates, with the RBA having increased the cash rate by 3.75% since May 2022, to 3.85%. This increase has been necessary to address the risks posed by the sudden inflation, and the RBA continues to warn that a further increase in official rates is likely, so while a pause in rate increases appears imminent the ability of households and businesses to adjust to this rapid increase in interest rates is a source of uncertainty. The additional economic risk is that inflation fails to respond to higher interest rates, forcing the RBA to a higher peak and a 'higher for longer' scenario.

RBA and consensus forecasts point to a sharp deceleration of economic growth in 2023 to only around 1 to 2% real GDP growth, and a likely uptick in the unemployment rate from the current level to just over 4%. As such the consensus view is a relatively soft landing, with falling household demand and consumer confidence somewhat offset by firm commodity prices (supporting the healthy trade surplus) and China's reopening a key factor in returning to pre-pandemic levels for international tourism and the return of international students. A downside scenario may arise should household demand fall more sharply.

The unique nature of the current geopolitical environment and associated trade tensions is a source of possible economic risk, although China's exit from COVID-zero policies is currently leading to a sharp increase in demand for Australia's exports. Nevertheless, geopolitical tensions are high in the context of the Russian invasion of Ukraine, the AUKUS military pact and the recent QUAD alliance meetings in New Delhi.

Another source of potential economic risk lies in the recent fall in Australian property prices (further details below) with residential property values on average 9.1% below their peak in May 2022; although prices rose 28.6% nationally during the pandemic due to record low interest rates and RBA 'Quantitative Easing'. Further RBA rate hikes risk deeper falls in property values, notwithstanding the sharp rise in values during the pandemic, and the lack of availability in affordable housing nationally and widespread rental shortages.

In summary, while Australia's economy is forecast to expand modestly in FY24 and FY25, tighter monetary policy combined with inflated costs of goods and services will impact household balance sheets. This may affect the ability of borrowers to service mortgage loans. Similarly businesses face challenges with higher interest rates, and from the possibility of lower demand from households domestically, and potentially from offshore if trade tensions and/or commodity prices adversely impact exports.

Due to the economic relationship between Australia and China, particularly in the mining, resources and agricultural sectors, a slowdown in China's economic growth and foreign policies (including the adoption of protectionist trade measures or sanctions) could negatively impact the Australian economy. This could result

in a reduced demand for the Issuer's products and services and affect supply chains, the level of economic activity and the ability of its borrowers to repay their loans.

All these factors could adversely affect the Issuer's business, prospects, financial performance or financial condition. The nature and consequences of any such event are difficult to predict and there is a risk that the Issuer's response may be ineffective.

Regulatory and government policy risk

The Issuer's businesses are highly regulated and the Issuer could be adversely affected by failing to comply with existing laws, regulations or regulatory policy.

As a financial institution, the Issuer is subject to laws, regulations, policies and codes of practice in countries in which it has operations, trades or raises funds or in respect of which it has some other connection. In particular, the Issuer's banking and funds management activities are subject to extensive regulation, mainly relating to its operational practices, liquidity levels, capital, solvency, provisioning and licensing conditions.

Regulations vary from country to country but generally are designed to protect depositors, insured parties, customers with other products and the banking system as a whole. The Issuer is currently operating in an environment where there is increased scrutiny of the financial services sector and specifically, increased scrutiny of financial services providers by regulators. The Australian government and its agencies, including APRA, RBA and other financial industry regulating bodies including the Australian Securities and Investment Commission ("**ASIC**"), have supervisory oversight of the Issuer. To the extent that the Issuer has operations, trades or raises funds in, or has some other connection with, countries other than Australia, then such activities may be subject to the laws of, and regulation by agencies in, those countries. In this environment, the Issuer faces increasing supervision and regulation in the jurisdictions in which it operates or obtains funding. This environment has also served to increase the pace and scope of regulatory change.

A failure to comply with any standards, laws, regulations or policies in any of these other jurisdictions could result in sanctions by these or other regulatory agencies, the exercise of any discretionary powers that the regulators hold or compensatory action by affected persons, which may in turn cause substantial damage to the Issuer's reputation. To the extent that these regulatory requirements limit the Issuer's operations or flexibility, they could adversely impact the Issuer's profitability.

The current political and regulatory environment that the Issuer is operating in has also seen (and may in the future see) the Issuer's regulators receive new powers. ASIC has recently been provided with a product intervention power, which enables it to make orders that prevent issuers of financial products from engaging in certain conduct. In addition, in 2020, legislative changes materially increased the penalties that can be imposed for corporate and financial sector misconduct. In particular, ASIC can commence civil penalty proceedings and seek significant civil penalties against an Australian Financial Services licensee (such as the Issuer) for failing to do all things necessary to ensure that financial services provided under the licence are provided efficiently, honestly and fairly. The Issuer may also face significant penalties for failing to comply with other obligations, such as those provided for under the enhanced ASIC breach reporting regime which came into operation on 1 October 2021. This trend towards increasingly severe penalties for failing to meet compliance obligations could continue in the future and be expanded into other areas of regulation that the Issuer is subject to.

Further, APRA has publicly committed to a revised approach to enforcement. APRA has indicated that it will use enforcement, where appropriate, to prevent and address serious prudential risks and/or regulatory breaches and hold entities and individuals to account. The provision of new powers to regulators, coupled with the increasingly active supervisory and enforcement approaches adopted by them, increases the prospect of adverse regulatory action being brought against the Issuer. Further, the severity and consequences of such actions are now greater, given the expansion of penalties for corporate and financial sector misconduct. For example, APRA advised the Issuer on 21 October 2020, that an overlay of 10 per cent. Will be added to its net cash outflows used for the purposes of Liquidity Coverage Ratio ("**LCR**") and Net Stable Funding Ratio ("**NSFR**") calculations from 2 November 2020. This overlay is in relation to the Issuer's announcement on 21 October 2020 that it had identified a historic error in its calculation of the LCR

and NSFR and will remain in place until all required reviews are completed and all findings are addressed to APRA's satisfaction. See also the risk factor headed "Liquidity and funding risks" below.

Regulatory and other governmental agencies (including courts, revenue and tax authorities) frequently review banking and tax laws, regulations, codes of practice and policies. Changes to laws, regulations, codes of practice or policies, including changes in interpretation or implementation of laws, regulations, codes of practice or policies, could affect the Issuer in substantial and unpredictable ways.

These may include increasing required levels of bank liquidity and capital adequacy, limiting the types of financial services and products the Issuer can offer and the revenues it can earn, and/or increasing the ability of non-banks to offer competing financial services or products, as well as changes to accounting standards, taxation laws and prudential requirements.

Recently, policy makers and regulators have developed and implemented a range of regulations that affect how the Issuer provides products and services to its customers. New laws have been introduced that further regulate its ability to provide products and services to certain customers and that require the Issuer to alter its product and service offerings. The Issuer's ability to set prices for certain products and services may also be impacted by future regulation. The competitive landscape may also be altered by new laws affecting banks and financial services companies, or the Issuer's agents, authorised representatives and external service providers.

There are numerous sources of regulatory change that could affect the Issuer's business. In some cases, changes to regulation are driven by international bodies, such as the Basel Committee on Banking Supervision ("BCBS"). Regulatory change may also flow from reviews and inquiries commissioned by governments or regulators. These reviews and commissions of inquiry may lead to substantial regulatory change or investigations.

Any such changes may adversely affect the Issuer's business, operations and financial performance and position. The changes may cause the Issuer to, among other things, change its business mix, incur additional costs as a result of increased management attention, raise additional amounts of capital and hold significant levels of additional liquid assets and change its funding profile.

Another example of regulatory change that could affect the Issuer's business is the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (the "Royal Commission").

The final report of the Royal Commission was delivered on 1 February 2019 and contained detailed recommendations (the majority of which were accepted by the Australian government and regulators and which are now being implemented) covering a number of areas where the Issuer provides financial services.

The Royal Commission has led to, and may continue to lead to, regulatory enforcement activity, litigation and changes in laws, regulations or regulatory policy and has resulted in, and may continue to result in, ongoing reputational damage to the banking industry, all of which has had, and may continue to have, an adverse effect on the banking industry's business and prospects, which could in turn adversely affect the Issuer's business, prospects, financial performance or position.

The nature, timing and impact of future regulatory reforms or changes are not predictable and are beyond the Issuer's control. Regulatory compliance and the management of regulatory change is an increasingly important part of the Issuer's strategic planning. Regulatory change may also impact the Issuer's operations by requiring it to have higher levels and better quality of capital, place restrictions on the businesses it operates, or require the Issuer to alter its product or service offerings. If regulatory change has any such effect, it could adversely affect one or more of the Issuer's businesses, restrict its flexibility, require it to incur substantial costs and impact the profitability of one or more of the Issuer's businesses. Any such costs or

restrictions could adversely affect the Issuer's business, prospects, reputation, financial performance or position.

An overview of other significant Australian and international regulatory developments that will or may impact the Issuer's business, operations and financial position and performance are described in the "Bendigo and Adelaide Bank – Corporate Profile" section under the heading "Regulatory Developments".

Liquidity and funding risks

Liquidity risk is the risk that the Issuer is unable to meet its payment obligations as they fall due, including repaying depositors or maturing wholesale debt, or that the Issuer has insufficient capacity to fund increases in assets. Liquidity risk is inherent in all banking operations due to the timing mismatch between cash inflows and cash outflows.

Liquidity risk is managed in line with a Board approved framework, which incorporates limits, monitoring and escalation processes to ensure sufficient liquidity is maintained. However, on 21 October 2020, the Issuer announced, in response to a public announcement from APRA, that the Issuer had identified a historic error in its calculation of the LCR and NSFR, impacting the Issuer's compliance with Prudential Standard APS210. As a result of the APRA public announcement, the Issuer is required to conduct remedial action including obtaining internal and independent external reviews for the LCR and NSFR calculations. These reviews are ongoing.

Reduced liquidity could lead to an increase in the cost of the Issuer's borrowings and possibly constrain the volume of new lending, which could adversely affect the Issuer's profitability. A significant deterioration in investor confidence in the Issuer could materially impact the Issuer's cost of borrowings, and the Issuer's ongoing operations and funding.

Liquidity risk may be increased in periods of market stress, in the event of damage to market confidence in the funding institution, or in times of significant competition for funding (for example retail deposits), with these factors constraining the ability to access funding, or funding at viable pricing.

In the event that the Issuer's current sources of funding prove to be insufficient or too expensive, or even unavailable, it may be forced to seek alternative financing (to the extent such financing is available). The availability of such alternative financing will depend on a variety of factors, including prevailing market conditions, the availability of credit, the Issuer's credit ratings and credit capacity. These alternatives may be more expensive or available on unfavourable terms.

If the Issuer is unable to source appropriate funding, it may be forced to reduce its lending or begin to sell liquid securities (to the extent that a market in such securities is available) to solve its potential funding shortfall and possible liquidity mismatch. There is no assurance that the Issuer would be able to obtain favourable prices on some or all of the securities it offers for sale.

Overall, as described above, the inability to obtain appropriate funding may materially adversely impact the Issuer's financial performance, financial position, growth, liquidity, and capital resources.

Litigation and contingent liabilities risk

From time to time, the Issuer may be subject to material litigation, regulatory actions, legal or arbitration proceedings and other contingent liabilities which, if they crystallise, may adversely affect the Issuer's results.

The Issuer may be exposed to risks relating to the provision of advice, recommendations or guidance about financial products and services, or behaviours which do not appropriately consider the interests of

consumers, the integrity of the financial markets and the expectations of the community, in the course of its business activities.

In recent years, there have been significant increases in the nature and scale of regulatory investigations and reviews, enforcement actions (whether by court action or otherwise) and the quantum of fines issued by regulators, particularly against financial institutions both in Australia and globally. The nature of those investigations, reviews and enforcement actions can be wide ranging and, for example, currently include a range of matters including responsible lending practices, product suitability, wealth advice and conduct in financial markets and capital markets transactions. Regulatory investigations, fines, other penalties or regulator-imposed conditions could adversely affect the Issuer's reputation, prospects, financial performance and position and capital condition. There is a risk that these contingent liabilities may be larger than anticipated or that additional litigation or other contingent liabilities may arise.

Property risk

Residential, commercial and rural property lending, together with property finance, including real estate development and investment property finance, constitute important businesses to the Issuer.

Since 2009, the world's major central banks have embarked upon unprecedented monetary policy stimulus. The resulting weight of funds searching for yield continues to be a significant driver underlying property markets in the Issuer's core property jurisdictions. However, although values for completed tenanted properties and residential house prices, particularly in metropolitan east coast Australian regions rose steadily until 2018, the fall in Australian house prices in 2018 was the largest since the global financial crisis. Since 2019, property prices in Australia have risen, but have since been affected by rising interest rates with residential property prices declining in recent periods.

Inflationary pressures are now at multi-decade highs in the Australian economy as a result of the combined impact of supply chain issues, geopolitical tensions, tightened labour markets and weather-related disruptions locally. In response to rising inflation, the RBA has increased the cash rate by 3.75% to 3.85% since May 2022. Any further significant increases in interest rates may affect debt serviceability and reduce demand for residential property in Australia.

Following a prolonged period of asset price inflation and record low interest rates, the Issuer's portfolio of commercial property loans may become susceptible to a sudden and material increase in interest rates, which could cause a decline in interest coverage ratios and asset values and increase refinance risk and necessitate equity contributions towards debt reduction.

Where property prices decline and the security asset is sold, borrowers with higher Loan to Valuation Ratios may realise a shortfall that may increase the losses that the Issuer may experience from existing loans and Homesafe investments. Such a significant slowdown in the Australian housing market could adversely affect the Issuer's business, operations and financial performance and position.

Credit ratings risk

The Issuer's credit ratings have a significant impact on both its access to, and cost of, capital and wholesale funding. Credit ratings may be withdrawn, made subject to qualifiers, revised, or suspended by the relevant credit rating agency at any time and the methodologies by which they are determined may be revised. The credit ratings assigned to the Issuer are based on an evaluation of a range of factors, including the Issuer's financial strength and structural considerations regarding the Australian financial system and economy.

A credit rating downgrade could also be driven by the occurrence of one or more of the other risks discussed in this Prospectus or by other events. Ratings agencies may revise their methodologies in response to legal or regulatory changes or other market developments. If the Issuer fails to maintain its current corporate credit

ratings, this could adversely affect its cost of funds and related margins, liquidity, competitive position, access to capital and wholesale debt markets, and willingness of counterparties to transact with it.

The Issuer has been assigned a credit rating of BBB+ by S&P. The outlook for the rating is positive. Its outlook by Moody's and Fitch is currently stable, with a rating of A3 and A- respectively.

Technology risk

Most of the Issuer's operations depend on technology, and therefore the reliability, resilience and security of the Issuer's (and its third-party vendors') information technology systems and infrastructure are essential to the effective operation of its business and consequently to its financial performance and position. The reliability, security and resilience of the Issuer's technology may be impacted by the complex technology environment, failure to keep technology systems up-to-date, an inability to restore or recover systems and data in acceptable timeframes, or a physical or cyber-attack.

The rapid evolution of technology in the financial services industry and the increased expectations of customers for internet and mobile services on demand expose the Issuer to changing operational scenarios. Most of the Issuer's daily operations are computer-based and information technology systems (including mobile applications) are essential to the provision of banking services, maintaining financial records and effective communication with customers. The exposure to systems risks includes:

- service disruption through the complete or partial failure of information technology systems or infrastructure, third party failures or denial of service attack;
- compromise of bank or customer data due to an information security breach and cyberattacks; and
- system/data integrity errors or information technology outages.

Any disruption to the Issuer's technology (including disruption to the technology systems of the Issuer's external providers) may be wholly or partially beyond the Issuer's control and may result in operational disruption, regulatory enforcement actions, customer redress, litigation, financial losses, theft or loss of customer data, loss of market share, loss of property or information, or may adversely impact the Issuer's speed and agility in the delivery of change and innovation.

In addition, any such disruption may adversely affect the trust that internal and external stakeholders have in the Issuer's ability to protect key information (such as customer and employee records) and infrastructure. This may in turn affect the Issuer's reputation, including the view of regulators or ratings agencies, which may result in loss of customers, a reduction in share price, ratings downgrades and regulatory censure or penalties. Social media commentary may exacerbate such adverse outcomes for the Issuer and negatively impact the Issuer's reputation.

To manage these risks, the Issuer has implemented a suite of controls designed to reduce the likelihood or impact of any risk events. However, any failure of critical systems could result in business interruption, loss of customers, financial compensation, damage to reputation and/or a weakening of the Issuer's competitive position, which could adversely impact the Issuer's business and have a material adverse effect on the Issuer's financial performance and position.

The Issuer regularly updates and implements new information technology systems, in part to satisfy regulatory demands, but also to improve its customer and staff experience and to continually enhance its control environment. Enhancements include the simplification and modernisation of the Issuer's technology environment and improvements to technology controls such as uplifting information security controls. Other examples may include improved online banking services for the Issuer's customers and the consolidation of the various segments of the Issuer's business. There is a risk that the Issuer may not implement these projects effectively or execute them efficiently, which could lead to increased project costs, delays in the

ability to comply with regulatory requirements, failure of the Issuer's information security controls or a decrease in the Issuer's ability to service its customers.

Operational risk

As a financial services organisation, the Issuer is exposed to a variety of operational risks, including those resulting from inadequate or failed internal processes, activities and systems, or from external events. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems as well as the risk of business disruption due to external events such as those discussed under the relevant risk factor above. It includes, among other things, technology risk, model risk and outsourcing risk. While the Issuer has policies, processes and controls in place to manage these risks, these have not always been, or may not be, effective.

Ineffective processes and controls have resulted in, and could result in, adverse outcomes for customers, employees or other third parties. For example, a process breakdown or a failure to have appropriate product governance and monitoring processes in place could result in a customer not receiving a product on the terms, conditions, or pricing they agreed to, potentially to the detriment of the customer. Failed processes could also result in the Issuer incurring losses because it cannot enforce its expected contractual rights.

The risk of operational breakdowns occurring is heightened where measures are implemented quickly in response to external events, such as the COVID-19 pandemic. Failed processes could result in the Issuer incurring losses because it cannot enforce its expected contractual rights. These types of operational risk can directly impact the Issuer's reputation and result in financial losses, customer remediation, regulatory scrutiny and intervention, fines, penalties and capital overlays and, depending on the nature of the failure, result in litigation, including class action proceedings. All of these could adversely affect the Issuer's financial performance and position.

Climate and sustainability related risk

Climate-related risks have had, and are likely to have, adverse effects on the Issuer, customers, external suppliers, and the communities in which it operates. There are significant uncertainties inherent in accurately identifying and modelling climate-related risks and opportunities over short-, medium- and long-term time horizons and in assessing their impact. These risks may manifest as physical risks, both acute and chronic in nature, transition risks, and risks related to legal liability and regulatory action.

Physical risks include increases and variability in temperatures, changes in precipitation patterns, rising sea levels, loss of natural capital, and increased frequency and severity of adverse climatic events, including fires, storms, floods and droughts. These may impact the Issuer and its customers through, for example, disruptions to business and economic activity, inability to access insurance and/or impacts on income and asset values. Adverse impacts on the Issuer's customers may also, in turn increase human rights risk, increase the number of people in vulnerable circumstances, and negatively impact loan serviceability and security values, as well as the Issuer's profitability.

Transition risks may arise from initiatives and trends associated with climate change mitigation and the transition to a low carbon economy, changes in investor appetite, shifting customer preferences, technological developments, changes in supervisory expectations of banks, and other regulatory and policy changes. Transition risks could directly impact the Issuer by, for example, giving rise to higher compliance and/or funding costs, the contraction of revenue from sectors materially exposed to transition risk, and potential legal or regulatory risk. Transition risks may place additional pressure on certain customer sectors, including pressure to reduce greenhouse gas emissions, that could result in loss of revenue and result in increased credit risk to the Issuer. Conversely, the Issuer may not be able to reduce its lending to higher risk sectors or regions, as a result of possible stakeholder requirements to continue to lend to certain customer sectors.

The Issuer's ambition to become a net-zero, climate resilient bank has, and will, require ongoing changes to the Issuer's lending and operational policies, and processes and may present execution risk. The Issuer's ability to meet its commitments and targets is dependent on the orderly transition of the economy towards

net-zero, which may be impacted by external factors including government climate policy, the level of public and private investment, electricity grid transmission capacity, and constraints in the development and supply of technology, infrastructure and skilled labour required to deliver new renewable projects, including power generation.

Failure or perceived failure to adapt the Issuer's strategy, governance, procedures, systems and controls to proactively manage or disclose evolving climate- and sustainability related risks and opportunities (including, for example, perceived misstatement of, or failure to adequately implement or meet, sustainability claims, commitments such as with respect to the Modern Slavery Act 2018 (Cth) and/or targets) may give rise to business, reputational, legal and regulatory risks. This includes financial and credit risks that may impact on the Issuer's profitability and outlook, and the risk of regulatory action or third party and shareholder litigation (including class actions) against the Issuer (and/or its customers), with these types of actions becoming more common.

The Issuer may also be subject, from time to time, to legal and business challenges due to actions instituted by activist shareholders or others. Examples of areas which have attracted shareholder activism and challenges include: the finance of or interaction with businesses that are perceived to be at greater risk from physical and transition risks of climate change or are perceived to not demonstrate responsible management of climate change, environmental and social issues; disclosure of climate- and sustainability-related risks; and setting and implementing appropriate climate change and environmental strategies (including net-zero or emissions reductions strategies, targets and policies).

Scrutiny from Australian, New Zealand and global regulators and shareholders on the climate related risk management practices, lending policies, targets and commitments, and other sustainability products, claims and marketing practices of banks and other financial institutions, will likely remain high in coming years.

Increased focus by and collaboration between local and global regulators on climate change and sustainability factors increases compliance, legal and regulatory risks, and costs. Applicable legal and regulatory regimes, policies, and reporting and other standards are also evolving (alongside science, technology, research and development) and are likely to continue to do so over time.

Examples of regulatory developments in this space include: APRA's Prudential Practice Guide on climate change financial risks and Climate Risk Self-Assessment Survey; the EU's introduction of Sustainability Financial Disclosure Regulations and changes to Basel Pillar 3 disclosure obligations; international policy consideration of capital regulatory requirement updates to account for climate- and sustainability-related prudential risks; New Zealand's introduction of mandatory climate-risk reporting legislation for the financial sector and associated disclosure standards; the Australian Accounting Standards Board proposed approach to developing sustainability-related financial reporting standards in Australia; International Sustainability Standards Board's proposed introduction of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures; the US Securities and Exchange Commission's proposed introduction of enhanced and standardised mandatory climate-related disclosures; and increased compliance and enforcement focus by ASIC and the ACCC; and other regulators on a range of issues relating to sustainability, including active monitoring and investigation of environmental or sustainability claims.

Competition risk

The financial services industry is highly competitive. The markets in which the Issuer operates are highly competitive and could become even more so as digital disruption continues to evolve (including the arrival and growth of neobanks), particularly in those segments that are considered to provide higher growth prospects or are in greatest demand. Competitors may not be subject to the same capital and/or regulatory requirements and therefore may be able to operate more efficiently. If the Issuer is unable to compete effectively in its various businesses and markets, its market share may decline. Increased competition may also adversely affect the Issuer by diverting business to its competitors or creating pressure on net interest

margins. This could adversely affect the Issuer's business, prospects and financial performance and position.

Increased competition for deposits could also lead the Issuer to access other types of funding at higher costs, thereby increasing the Issuer's cost of funding. The Issuer relies on retail deposits to fund a significant portion of its balance sheet and these deposits have been a relatively stable source of funding. the Issuer competes with banks and other financial services firms for such deposits. To the extent that it is not able to successfully compete for deposits, the Issuer would be forced to rely more heavily on more expensive or less stable forms of funding, or reduce its lending activities.

Strategic and acquisition risk

The Issuer regularly examines a range of corporate opportunities, including material acquisitions, commercial partnerships and disposals with a view to determining whether those opportunities are aligned with the Group's vision and strategy and would enhance the Group's financial performance and position. There are risks associated with strategic and business decisions made by the Issuer in the ordinary course of business, including restructures, organic development initiatives or acquisitions and other corporate opportunities. Any restructure, initiative, acquisition or decision made in relation to other corporate opportunities could, for a variety of reasons, have a material adverse effect on the Issuer's current and future financial position or performance.

The Issuer may seek to grow in the future by merging with or acquiring other companies or businesses. There can be no assurance that any merger or acquisition would have the anticipated positive results, including results relating to the total cost of integration, the time required to complete the integration, the amount of longer-term cost savings or the overall performance of the combined entity or an improved price for the Group's securities. Integration of a merged or acquired business can be complex and costly, sometimes including combining relevant accounting and Information Technology ("IT") systems and management controls, as well as managing relevant relationships with employees, clients, suppliers and other business partners. Integration efforts could divert management attention and resources, which could adversely affect the Group's operations or results. A merger or acquisition may also result in business disruptions that cause the Group to lose customers or cause customers to remove their business from the Group to competing financial institutions.

The Issuer may seek to sell or dispose of certain businesses in the future. This may result in a change in the operations of the Issuer and cause the Issuer to face risks, including operations and financial risks that could adversely affect the Issuer's financial condition and results of operations. The Group's operating performance, risk profile or capital structure may also be affected by these corporate opportunities and there is a risk that any of the Group's credit ratings may be placed on credit watch or downgraded if these opportunities are pursued.

Partner risk

The Issuer has Community Bank branches operating in all Australian states and territories, along with its Alliance Bank network and deals with intermediaries through its Third Party Banking business. The Community Bank and Alliance Bank branches are operated by companies that have entered into franchise and management agreements with the Issuer to manage and operate a Community Bank or an Alliance Bank branch. Intermediary agreements are also entered into for all Third Party Banking intermediaries. The Issuer carefully assesses and monitors the progress of the franchisees and intermediaries although there can be no guarantee of their success.

Whilst this branch network is relatively mature, and the Issuer's dealings with intermediaries through its Third Party Banking model continue, there are risks that may develop over time which may adversely impact the Issuer's financial results. These risks include the actions of intermediaries adversely affecting the Issuer's reputation, loss of customers and regulatory investigations, enforcement actions, fines, penalties or litigation or other actions brought by third parties (including class actions) all of which, individually or in combination, could adversely affect the Issuer's business, financial performance or financial condition. For instance, failure by these intermediaries and third parties (including their authorised representatives) to deliver services as

required could disrupt the ability of the Community Bank and Alliance Bank branches to provide their products and services and adversely impact the Issuer's operations, financial performance or reputation and result in enhanced regulatory scrutiny, regulatory investigations and actions resulting in fines and sanctions for the Issuer. This may have an adverse impact on the Issuer's reputation and financial position.

Joint venture risk

Some of the Issuer's activities are conducted through joint ventures. These joint ventures are not controlled exclusively by the Issuer and, while the Issuer may be represented on the board of those entities, the day-to-day operations of those joint ventures are not managed by the Issuer. The governing documents for some of the Issuer's joint ventures provide that key matters and decisions require the agreement of the Issuer's joint venture partners. The Issuer may be unable to reach agreement with its joint venture partners concerning these matters and any disagreements may affect the ability of a joint venture to function properly or distribute income to the Issuer. In some cases, the Issuer's arrangements with its joint venture partners may require the Issuer to make an additional investment in the venture or to provide additional financing. Overall, the nature and obligations of the joint venture arrangements may adversely impact the Issuer's financial position and financial performance.

Fraud risk

The Issuer is exposed to the risk of fraud, both internal and external (including fraudulent applications for loans, or from incorrect or fraudulent payments and settlements). The Issuer also runs the risk that employee, contractor and external service provider misconduct could occur. For instance, fraudulent conduct can also arise from external parties seeking to access its systems or customer accounts. All actual or alleged fraud is investigated under the authority of the Issuer's financial crimes unit. It is not always possible to deter or prevent employee misconduct and the precautions taken by the Issuer to prevent and detect this activity may not be effective in all cases, which could result in financial losses, regulatory intervention and reputational damage.

Conduct risk

The Issuer is exposed to risks relating to product flaws, processing and collection errors and mis-selling. These risks can arise from product design or disclosure flaws or errors in transaction processing. It can also include mis-selling of products to the Issuer's customers in a manner that is not aligned to the customer's risk appetite, needs or objectives. Where issues have been identified, the Issuer has developed processes for customer review and remediation, some of which are ongoing, with compensation amounts for affected customers to be determined. Provisions have been raised for the estimated compensation due to customers, but this is judgemental and the actual compensation could vary significantly from the amounts provided for.

Events such as the outbreak of COVID-19 can result in rapid changes to the internal and external business environment and subsequent changes to business processes to support customers. This may impact both the likelihood and the consequence of unfair outcomes to customers, including through decisions and actions where the trade-offs or tail risks may not be immediately apparent or quantifiable. The Issuer made significant efforts to support its customers in an appropriate way during the COVID-19 pandemic including through regular customer communication and redeployment of staff into customer facing roles. However, no assurance can be given that the steps taken will not have unintended consequences in the future or that they will meet the future expectations of the Issuer's regulators. The Issuer cannot predict the level of further disruption which may occur.

If conduct risk materialises, this may expose the Issuer to regulatory actions, restrictions or conditions on banking licenses and/or reputational consequences that may adversely affect the Issuer's business, operations and financial position. It is possible that remediation programmes may not be implemented appropriately or may lead to further remediation work being required, resulting in litigation, regulatory action

and/or increasing cost to the Issuer, all of which may adversely affect the Issuer's business, operations and financial position.

Contagion risk

The Issuer includes a number of subsidiaries which are trading entities and holders of Australian Financial Services Licences and/or Australian Credit Licences. Dealings and exposures between the Issuer and its subsidiaries principally arise from the provision of administrative, corporate, distribution and general banking services. The majority of subsidiary resourcing and infrastructure is provided by the Issuer's centralised back office functions. Other dealings arise from the provision of funding and equity contributions. The Issuer is exposed to risks through such dealings, including risks relating to credit, liquidity and funding.

The Issuer has subsidiaries (whether partially or fully owned), which through their normal dealings and exposures, may not be able to meet financial obligations as and when they fall due, or become subject to regulatory scrutiny or penalties. This in turn may have an adverse impact on the Issuer's reputation, business, growth prospects, engagement with regulators, financial performance or financial condition.

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

CB Guarantor only obliged to pay Guaranteed Amounts when the same are Due for Payment and the CB Guarantor will not gross up payment of Guaranteed Amounts for withholding or similar taxes

Following service of a Notice to Pay (but prior to service of a CBG Acceleration Notice), the CB Guarantor will be obliged under the terms of the Covered Bond Guarantee to pay Guaranteed Amounts as and when the same are Due for Payment. However, the CB Guarantor will only be obliged to make payments in respect of the Final Redemption Amount that are due and payable on any Interest Payment Date up until the Extended Due for Payment Date to the extent that it has sufficient monies available under the Guarantee Priority of Payments to do so.

Payments by the CB Guarantor under the Covered Bond Guarantee will be made subject to any applicable withholding or deduction and the CB Guarantor will not be obliged to pay any additional amounts as a consequence. The CB 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 8 (*Taxation*). Subject to the applicable grace period in the Terms and Conditions, if (after service of a Notice to Pay) the CB Guarantor fails to make a payment when Due for Payment under the Covered Bond Guarantee or any other CBG Event of Default occurs, then the Bond Trustee may accelerate the obligations of the CB Guarantor under the Covered Bond Guarantee by service of a CBG 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 not payable by the CB Guarantor pursuant to Condition 8 (*Taxation*)). However, the CB Guarantor will not be obliged to pay any amount under the Covered Bond Guarantee either in respect of amounts due from the Issuer pursuant to Condition 8 (*Taxation*), or in respect of any withholding or deduction the CB Guarantor may be required to make in respect of any payments made by it under the Covered Bond Guarantee. Following delivery of a CBG Acceleration Notice to the Security Trustee, the Security Trustee may or must, if so directed by the Bond Trustee or, if there are no Covered Bonds outstanding, all of the other Secured Creditors, enforce the Security over the Collateral. The proceeds of enforcement and realisation of the Security shall be applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments in the Security Trust Deed, and Covered Bondholders will receive amounts from the CB Guarantor on an accelerated basis.

There is no guarantee that the CB Guarantor will be able to satisfy its obligations to make payments under the Covered Bond Guarantee. Should the CB Guarantor be unable to meet the claims of Covered Bondholders under the Covered Bond Guarantee, the interests of Covered Bondholders may be adversely affected and Covered Bondholders may not receive payment in full of all amounts due in respect of the Covered Bonds held by them.

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

The CB Guarantor's ability to meet its obligations under the Covered Bond Guarantee will depend on (i) the realisable value of Selected Loans and their Related Security and any Substitution Assets and/or Authorised Investments, (ii) the amount of the Available Income Amount and the Available Principal Amount generated by the Loans and any Substitution Assets and/or Authorised Investments and the timing thereof, (iii) amounts received from, and payable to, the Swap Providers and (iv) the receipt by it of credit balances and interest on credit balances on the GI Account and the other CBG Accounts. The CB Guarantor will not have any other source of funds available to meet its obligations under the Covered Bond Guarantee.

If, following the occurrence of a CBG Event of Default and delivery of a CBG Acceleration Notice to the Security Trustee, the Security created under the Security Trust Deed is enforced, the Collateral may not be sufficient to meet the claims of all the Secured Creditors, including the Covered Bondholders.

If, following enforcement of the Security under the Security Trust Deed, the Secured Creditors have not received the full amount due to them pursuant to the terms of the Transaction 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.

In addition, all obligations of the CB Guarantor to the Covered Bondholders in respect of the secured obligations owing to the Covered Bondholders are limited in recourse to the Collateral. There is no guarantee that the proceeds of realisation of the Collateral 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 Transaction Documents. If the proceeds of realisation of the Collateral are insufficient to pay amounts due to the Secured Creditors (including the Covered Bondholders), there will be no other source, other than the unsecured claim against the Issuer referred to above, from which to receive these payments and Covered Bondholders may experience a loss or receive a lower yield on their investment than expected.

The Secured Creditors (including the Covered Bondholders) may not seek to recover (including by bringing proceedings against the CB Guarantor or applying to have the CB Guarantor wound up) any shortfall in the amounts which would otherwise be owing by the CB Guarantor (including any Guaranteed Amounts) after the realisation of the Collateral and the application of the proceeds of realisation in accordance with the relevant Priority of Payments. If after the realisation of the Collateral and the application of amounts in accordance with the relevant Priority of Payments, there are insufficient amounts to discharge the Other Secured Liabilities in full, the Secured Creditors will have no further claim against the CB Guarantor in respect of the amounts owing to them which remain unpaid and such unpaid amounts shall be deemed to be discharged and any relevant payments rights shall be deemed to cease.

Covered Bondholders should note that the Asset Coverage Test has been structured to test whether the Adjusted Aggregate Loan Amount is equal to or greater than the aggregate AUD Equivalent of the Principal Amount Outstanding of the Covered Bonds for so long as Covered Bonds remain outstanding, which should reduce the risk of there being a shortfall (although there is no assurance of this): *see Overview of the Principal Documents – Participation Deed – Asset Coverage Test*. The Asset Coverage Test has been structured to test whether the Loans are sufficient to pay amounts due on the Covered Bonds and senior ranking expenses which will include costs relating to the maintenance and administration of the Loans while the Covered Bonds are outstanding. However, no assurance can be given that the Loans will yield sufficient amounts for such purpose.

Except in the case of and to the extent of fraud, negligence or Wilful Default on the part of the CB Guarantor, Covered Bondholders will not have any general right to claim against any assets of Perpetual Corporate Trust Limited other than against the Trust Assets of the Bendigo and Adelaide Bank Covered Bond Trust. See *Risk Factors relating to the Covered Bonds – CB Guarantor's liability* below. Additionally, the Trust Manager will select Loans and their Related Security and/or Substitution Assets and/or Authorised Investments in discharge of the CB Guarantor's obligation to repay the Senior Portion Outstanding of the Demand Loan and such assets will not be available to the Covered Bondholders once selected. See *Risk*

Factors relating to the CB Guarantor, including the ability of the CB Guarantor to fulfil its obligations in relation to the Covered Bonds Guarantee – Repayment of the Demand Loan below.

Maintenance of Loans

Asset Coverage Test: The Asset Coverage Test is met if the Adjusted Aggregate Loan Amount is equal to or exceeds the aggregate AUD Equivalent of the Principal Amount Outstanding of the Covered Bonds from time to time subject to applicable Law. The Seller is required to sell Loans and their Related Security to the CB Guarantor in order to ensure that the Asset Coverage Test is complied with. See, however, the risk factor entitled *Risk Factors relating to the Covered Bonds – APRA's powers under the Banking Act – Power to prevent additional sales to meet Asset Coverage Test on any day* below. The portfolio of Loans is not static and its composition will change over time.

If a breach of the Asset Coverage Test occurs as of any Determination Date and is not cured as of the following Determination Date, the Bond Trustee will serve an Asset Coverage Test Breach Notice on the CB Guarantor which (unless and until it is revoked) may result, *inter alia*, in the sale of Selected Loans: see further *Overview of the Principal Documents – Participation Deed – Sale of Selected Loans following service of an Asset Coverage Test Breach Notice*. If an Asset Coverage Test Breach Notice has been served and not revoked on or before the next following Determination Date following service of such Asset Coverage Test Breach Notice, then an Issuer Event of Default shall occur and the Bond Trustee shall be entitled (and, in certain circumstances, may be required) to serve an Issuer Acceleration Notice on the Issuer. Following service of an Issuer Acceleration Notice, the Bond Trustee must serve a Notice to Pay on the CB Guarantor.

Amortisation Test: Pursuant to the Participation Deed, prior to service of a CBG Acceleration Notice, the Amortisation Test will be satisfied if the Amortisation Test Aggregate Loan Amount is in an amount at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of the Covered Bonds on each Determination Date following service of a Notice to Pay. The Amortisation Test is intended to test whether the assets of the CB Guarantor fall below a certain threshold, and therefore whether the assets of the CB Guarantor are sufficient to meet its obligations under the Covered Bond Guarantee and senior expenses that rank in priority to or pari passu with amounts due on the Covered Bonds.

If the value of the Loans has not been maintained in accordance with the terms of the Asset Coverage Test and, if applicable, the Amortisation Test, then that may affect the realisable value of the Loans or any part thereof (both before and after the occurrence of a CBG Event of Default) and/or the ability of the CB Guarantor to make payments under the Covered Bond Guarantee.

Prior to service of a Notice to Pay or a CBG Acceleration Notice, the Asset Monitor will, subject to receipt of the relevant information from the Trust Manager, test the calculations performed by the Trust Manager in respect of the Legislated Asset Coverage Test and the Asset Coverage Test. Following service of a Notice to Pay (but prior to service of a CBG Acceleration Notice), the Asset Monitor will be required to test the calculations performed by the Trust Manager in respect of the Legislated Asset Coverage Test and the Amortisation Test. In addition, the Asset Monitor will be required to assess compliance by the Issuer with certain statutory obligations under the Banking Act: see further *Overview of the Principal Documents – Asset Monitor Agreement*.

Neither the Bond Trustee, the Security Trustee nor the CB Guarantor shall be responsible for monitoring compliance with the Asset Coverage Test, the Amortisation Test or any other test, or supervising the performance by any other party of its obligations under any Transaction Document.

Factors that may affect the realisable value of the Loans or any part thereof or the ability of the CB Guarantor to make payments under the Covered Bond Guarantee

The realisable value of Selected Loans and their Related Security may be adversely impacted (which may result in the CB Guarantor having insufficient funds to make payments under the Covered Bond Guarantee) by a wide range of factors including but not limited to:

(a) default by Borrowers in payment of amounts due on their Loans;

(b) changes to the Servicing Guidelines;

(c) geographic concentration of the Loans;

(d) issues affecting the CB Guarantor's title to the Loans and their Related Security;

(e) set-off risks in relation to some Loans in the Portfolio;

(f) restrictions in the Transaction Documents on the ability of the CB Guarantor to provide representations or warranties on the sale of Selected Loans and their Related Security unless expressly agreed by the Security Trustee and otherwise agreed with the Seller;

(g) limited recourse to the Seller (including in respect of breaches of the Representations and Warranties);

(h) the assignment of Related Security that secures Other Secured Liabilities which are subject to Trust Back arrangements in favour of the Seller;

(i) the effect of the Consumer Credit Legislation on the Loans and their Related Security.

Default by Borrowers in paying amounts due on their Loans

Borrowers may default on their obligations under the Loans. Defaults may occur for a variety of reasons. The 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, such as changes in the national or international economic climate, regional economic or housing conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments, government policies and pandemics such as the COVID-19 pandemic (due to illness, loss of employment or inability to work due to social distancing measures adopted by governments). Other factors in Borrowers' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Loss of earnings, illness, divorce 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 Loans. In addition, the ability of a Borrower to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time. Any of the above may affect the realisable value of the Loans or any part thereof or the ability of the CB Guarantor to make payments under the Covered Bond Guarantee.

If the timing and payment of the Loans is adversely affected by any of the risks described above, the ability of the CB Guarantor to make payments under the Covered Bond Guarantee could be reduced or delayed.

The Outstanding Principal Balance of any Defaulted Loans will be given a zero weighting for the purposes of any calculation of the Asset Coverage Test and the Amortisation Test.

Changes to the Servicing Guidelines

The Servicer has agreed to administer and service the Loans in accordance with the Servicing Guidelines. The Servicer may amend the Servicing Guidelines from time to time although it has agreed not to make any such amendment in any way that would cause it or the CB Guarantor to breach the Credit Legislation or any other applicable law. If the Servicing Guidelines change in a manner that affects the creditworthiness of the Loans, that may lead to increased defaults by Borrowers and may affect the realisable value of the Loans, or part thereof, and the ability of the CB Guarantor to make payments under the Covered Bond Guarantee.

Geographic concentration of the Loans

Loans and their Related Security may be concentrated in certain geographical regions of Australia. 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 Loans in such a region may be expected to exacerbate any or all of the risks relating to the Loans described in this section. If the timing and payment of the Loans is adversely affected, the ability of the CB Guarantor to make payments under the Covered Bond Guarantee could be reduced or delayed.

Issues affecting the CB Guarantor's title to the Loans and their Related Security

On the relevant Assignment Date, the CB Guarantor will only take an equitable assignment of the relevant Loans and their Related Security, and will not have legal title to such Loans and their Related Security. The Loans and Related Security will be legally assigned to the CB Guarantor only upon the occurrence of a Title Perfection Event. If a Title Perfection Event has occurred, the Trust Manager, on behalf of the CB Guarantor, must, among other things, take steps to perfect the CB Guarantor's interest in and title to Loans and their Related Security, including lodging transfers of title with the relevant land titles office, giving notice to each Borrower of the assignment of the relevant Loans and Related Security to the CB Guarantor and requiring each Borrower to make all payments in respect of the relevant Loans and Related Security to the GI Account.

The consequences of the CB Guarantor not holding legal title in the Loans and Related Security include:

(a) until notice of the assignment is received by a Borrower and the additional requirements under section 80(7) of the PPSA are complied with, any payment by that Borrower to the Seller discharges the Borrower's debt to the extent of the payment. As the CB Guarantor will not have the right to give notice of the assignment to the Borrower until a Title Perfection Event has occurred, there is, therefore, a risk that a Borrower may make payments to the Seller after the Seller has become insolvent, but before the Borrower receives notice of the assignment of the relevant Loan and Related Security. These payments may not be able to be recovered by the CB Guarantor;

(b) until a Borrower has notice of the CB Guarantor's interest in the relevant Loan and Related Security, rights of set-off or counterclaim may accrue in favour of the Borrower against its obligations under the Loan and Related Security which may result in the Trustee receiving less money than expected from the Loan and Related Security;

(c) the CB Guarantor 's interest in the Loans and Related Security may become subject to the interests of third parties created after the creation of the CB Guarantor 's equitable interest but prior to it acquiring a legal interest. That third party would acquire an interest in such Loans either:

    (i) free of any interest of the CB Guarantor, if that acquisition was made for value and any security interest held by the CB Guarantor in relation to the Loans was not perfected for the purposes of the PPSA at the time of acquisition; or

    (ii) ranking in priority to the CB Guarantor's interest, if that person acquires a perfected security interest in the Loans where the CB Guarantor's interest was not perfected for the purposes of the PPSA at the time that person's security interest was perfected;

(d) until legal title is transferred to the CB Guarantor, the CB Guarantor would not be able to enforce any Borrower's obligations itself and may need to join the Seller as a party to any legal proceedings to enforce its rights under the Loans and their Related Security.

To effect a legal assignment of the Loans and their Related Security to the CB Guarantor will require:

(a) the provision of notice in writing to Borrowers by the Seller or the CB Guarantor in accordance with section 12 of the Conveyancing Act 1919 (NSW) or the applicable equivalent provision in each other State and Territory of Australia;

(b) in relation to each Mortgage, the execution and registration of instruments of transfer under the applicable real property legislation in the relevant State or Territory of Australia; and

(c) depending on the situs of the Loan and Related Security, the payment of stamp duty, if any, on the transfer of the Loan and Related Security.

In addition, section 80(7) of the PPSA provides that a Borrower will be entitled to make payments and obtain a good discharge from the Seller rather than directly to, and from, the CB Guarantor until such time as the Borrower receives a notice of the assignment that complies with the requirements of section 80(7)(a) of the PPSA, including, without limitation, a statement that payment is to be made to the CB Guarantor. If the notice is from a person other than the Seller, the Borrower may continue to make payments to the Seller after receiving the notice if the Borrower requests the CB Guarantor to provide proof of the assignment and the CB Guarantor fails to provide that proof within 5 business days of the request. Accordingly, a Borrower may nevertheless make payments to the Seller and obtain a good discharge from the Seller notwithstanding the legal assignment of a Loan to the CB Guarantor, if the CB Guarantor fails to comply with these requirements, leading to a failure to receive, or delays in receiving, payments in respect of the Loans or losses in respect of the Loans.

Modifications or substitutions of a Loan and its Related Security

Irrespective of whether the assignment of a Loan and its Related Security has taken effect as a legal assignment, section 80 of the PPSA also provides that, unless the Borrower has otherwise agreed, a modification of, or substitution for, a Loan and its Related Security between a Borrower and the Seller is effective against the CB Guarantor if:

(a) the relevant Borrower and the Seller have acted honestly in modifying or substituting the relevant Loan and its Related Security;

(b) the manner in which modification or the substitution is made is commercially reasonable; and

(c) the modification or substitution does not have a material adverse effect on:

(i) the CB Guarantor's rights under the relevant Loan and its Related Security; or

(ii) the Seller's ability to perform under the relevant Loan and its Related Security.

Accordingly, it is possible that in the above circumstances, the terms of a Loan and its Related Security could be amended by the Borrower and the Seller even after the CB Guarantor holds legal title to that Loan and its Related Security, including in ways that could reduce or delay receipt of payments in respect of the Loans or lead to losses in respect of the Loans.

See also *Set-off risks in relation to some Loans* below.

Application of the Personal Property Securities Act

A personal property securities regime commenced operation throughout Australia on 30 January 2012 ("**PPSA Start Date**"). The Personal Property Securities Act 2009 (Cth) ("**PPSA**") established a national system for the registration of security interests in personal property, together with rules for the creation, priority and enforcement of security interests in personal property.

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, prior to the PPSA Start Date, have been 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 receivables.

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) except in limited cases, they may not be able to enforce the security interest against a grantor who becomes insolvent (because the security interest will vest in the grantor).

The assignment of the Loans from the Seller to the CB Guarantor is a deemed security interest under the PPSA as the Loans are either "accounts" or "chattel paper". The interest of a transferee under a transfer of an account or chattel paper is deemed to be a security interest whether or not the transaction secures payment or performance of an obligation. The CB Guarantor will need to register the assignment to ensure that its interest in the Loans has priority over another competing interest in the Loans (such as another security interest or the interest of a third party purchaser). A failure to register could therefore lead to a loss of priority of interest for the CB Guarantor and losses in respect of the Loans, though (provided the assignment does not secure payment or performance of an obligation) a failure to register will not prevent the CB Guarantor from being able to enforce against the Seller.

The Security granted by the CB Guarantor to the Security Trustee is also a security interest under the PPSA. The Security Trustee has registered the Security to eliminate priority, taking free and vesting risk.

The Trust Manager has arranged for security interests arising under the Transaction Documents (or a transaction in connection with them other than the Loans or the Mortgages themselves) to be perfected under the PPSA.

There is uncertainty on aspects of the implementation of the PPSA regime because the PPSA significantly alters the law relating to secured transactions. There are issues and ambiguities in respect of which a market view or practice will evolve over time.

Implementation of the PPSA may adversely affect the value of the Trust Assets and, accordingly, the ability of the CB Guarantor to make payments under the Covered Bond Guarantee when due.

Set-off risks in relation to some Loans

As noted above, the CB Guarantor takes the Loans and their Related Security subject to any equities, claims or defences as between the Borrower and the Seller that had arisen or accrued prior to the Borrower receiving notice of the assignment. Included in such equities, claims and defences are any rights of set-off by the Borrower against the Seller that accrue or arise before the Borrower receives notice of the assignment, such as rights of set-off which occur in relation to transactions or deposits made between Borrowers and the Seller.

However, any right of set-off should be precluded or extinguished by an express provision in the underlying contract or contracts between the Borrower and the Seller under which the Loans and their Related Security are constituted that disclaims any right of set-off.

In addition to any set-off rights, the Loans may contain certain features which permit Borrowers to reduce the amount of interest payable on their Loans by the amount of interest earned on any designated account. This feature of the Loans could reduce the amount of interest payable to the CB Guarantor. If a Title Perfection Event has occurred and is subsisting, the Servicer, the CB Guarantor or the Security Trustee may direct the Seller, subject to and in accordance with the terms of the relevant Loan and applicable Law, to promptly commence the process and do all things necessary for terminating the Loan Offset Deposit Account arrangements in respect of the Loan. However, there still remains a risk that set off rights are exercised prior

to such termination, adversely affecting the realisable value of the Loans and/or the ability of the CB Guarantor to make payments under the Covered Bond Guarantee.

No representations or warranties to be given by the CB Guarantor or the Seller if Selected Loans and their Related Security are to be sold

Following service of an Asset Coverage Test Breach Notice (which is not revoked) or a Notice to Pay on the CB Guarantor (but in each case prior to the service of a CBG Acceleration Notice and/or enforcement of the Security), the Trust Manager, on behalf of the CB Guarantor, may sell Selected Loans and their Related Security to third party purchasers, subject to a right of pre-emption in favour of the Seller pursuant to the terms of the Participation Deed: see *Overview of the Principal Documents – Participation Deed – Method of Sale of Selected Loans*). In respect of any sale of Selected Loans and their Related Security to third parties, however, neither the CB Guarantor nor the Seller will give representations and warranties or indemnities in respect of those Selected Loans and their Related Security (unless expressly agreed by the Security Trustee and otherwise agreed with the Seller). It should be noted that any Representations and Warranties previously given by the Seller to the CB Guarantor in respect of the Loans under the Mortgage Sale Deed do not pass to any third party acquiring the Selected Loans and their Related Security from the CB Guarantor. Accordingly, there is a risk that the realisable value of the Selected Loans and their Related Security could be adversely affected by the lack of representations and warranties or indemnities which in turn could adversely affect the ability of the CB Guarantor to meet its obligations under the Covered Bond Guarantee.

Limited recourse to the Seller (including in respect of breaches of the Representations and Warranties)

The CB Guarantor, the Bond Trustee and the Security Trustee will not undertake any investigations, searches or other actions on any Loan or its Related Security and will rely instead on the Representations and Warranties given in the Mortgage Sale Deed by the Seller in respect of the Loans sold by it to the CB Guarantor on the relevant Assignment Dates.

If any Representations or Warranties in respect of any Loan or its Related Security is materially untrue as at the relevant Assignment Date in respect of each such Loan or Related Security, and provided that:

(a) at least ten AU Business Days' notice in writing of such breach of Representation or Warranty has been given to or by the Seller; and

(b) such breach is not waived by the CB Guarantor or the Trust Manager on behalf of the CB Guarantor or, where capable of remedy, not remedied by the Seller to the reasonable satisfaction of the CB Guarantor (acting in its discretion) within the ten AU Business Day period (or such longer period as the Trust Manager may direct the CB Guarantor in writing),

then the CB Guarantor (or the Trust Manager on its behalf) must deliver to the Seller a Loan Repurchase Notice requiring the Seller to purchase the relevant Loan and its Related Security.

There can be no assurance that the Seller will have the financial resources to repurchase Loans and their Related Security. There is no recourse to the Seller in respect of a breach of a Representation or Warranty other than in relation to its obligation to repurchase and should the Seller fail to repurchase any such Loans, the retention of such Loans could ultimately affect the realisable value of the portfolio of Loans as a whole. However, if the Seller does not repurchase those Loans and their Related Security which are in breach of the Representations and Warranties, then the LTV Adjusted Outstanding Principal Balance or the Asset Percentage Adjusted Outstanding Principal Balance of those Loans (as applicable) will be deducted from the calculation of the Adjusted Aggregate Loan Amount in the calculation of the Asset Coverage Test (except for any Defaulted Loans, which for the purposes of calculating the LTV Adjusted Outstanding Principal Balance and the Asset Percentage Adjusted Outstanding Principal Balance, as the case may be, are given a zero value).

Effect of the National Consumer Credit Protection Act on the Loans and their Related Security

Some of the Loans and Related Security are regulated by the Consumer Credit Legislation.

The Consumer Credit Legislation requires anyone that engages in a Credit Activity, including by providing credit or exercising the rights and obligations of a Credit Provider, to be appropriately authorised to do so. This requires those persons either to hold an Australian Credit Licence, be exempt from this requirement or be a credit representative of a licensed person.

The Consumer Credit Legislation imposes a range of disclosure and conduct obligations on persons engaging in a Credit Activity. For example any increase of the credit limit of a regulated loan must be considered and made in accordance with the responsible lending obligations ("**RLOs**") of the Consumer Credit Legislation.

Failure to comply with the Consumer Credit Legislation may mean that court action is brought by the borrower, guarantor, mortgagor or by ASIC to:

- grant an injunction preventing a regulated Loan from being enforced (or any other action in relation to the Loan) if to do so would breach the Consumer Credit Legislation;
- order compensation to be paid for loss or damage suffered (or likely to be suffered) as a result of a breach of a civil penalty provision or a criminal offence in the Consumer Credit Legislation. A compensation order may only be sought by ASIC on behalf of the borrower or any guarantor after obtaining their written consent;
- if a credit activity has been engaged in without an Australian credit licence and no relevant exemption applies, make an order it considers appropriate so that no profiting can be made from the activity, to compensate for loss or damage and to prevent or reduce loss or damage from being suffered in the future. This could include an order declaring whole or part of a contract to be void, varying the contract, refusing to enforce all or any of the contract terms, ordering a refund of money or return of property to the borrower or a guarantor, payment for loss or damage or being ordered to supply specified services at the cost of the party who engaged in the activity;
- in the case of a Borrower, vary the terms of a Loan on the grounds of hardship (but not so as to reduce the amount ultimately payable by the Borrower under the Loan), and make such other orders as it thinks fit;
- reopen the transaction that gave rise to a contract relating to a Loan on the grounds that it is unjust under the National Credit Code, which may include relieving the borrower and any guarantor from payment of any amount in excess of such amount as the court considers to be reasonably payable, discharging either in whole or in part the mortgage or any other order the court sees fit;
- reduce or cancel any interest rate and fees (including early termination or prepayment fees) payable on the Loan which are unconscionable;
- declare that all or certain provisions of a Loan or Related Security which are in breach of the relevant Consumer Credit Legislation are void or unenforceable from the time it was entered into or at all times on and after a specified day before the order is made;
- obtain restitution or compensation from the credit provider in relation to any breaches of the Consumer Credit Legislation in relation to the Loan or a Related Security; or
- seek various remedies for other breaches of the Consumer Credit Legislation.

Under the Consumer Credit Legislation, ASIC will be able to make an application to vary the terms of a contract or a class of contracts on the grounds of hardship and unjust transactions (set out above) if this is

in the public interest (rather than limiting these rights to affected borrowers or guarantors). ASIC also has the power to intervene in any proceedings arising under the Consumer Credit Legislation.

Applications may also be made to the external dispute resolution scheme the Australian Financial Complaints Authority which has the power to resolve disputes where the amount in dispute is below the relevant threshold (which is A$1,085,000 for credit facilities to individuals and an unlimited threshold where the claim relates to the guarantor's principal place of residence). There is very limited ability to appeal from an adverse determination by an external dispute resolution scheme, including on the basis of bias, manifest error or want of jurisdiction.

Any such order (by a court or external dispute resolution scheme) may affect the timing or amount of interest, fees or charges, or principal payments under the relevant Loan (which might in turn affect the timing or ability of the CB Guarantor to meet its payment obligations, including under the Covered Bond Guarantee).

Where a systemic contravention affects the content of multiple Loans or Related Security and contract disclosures, there is a risk of a representative or class action in respect of all affected contracts.

Breaches of the Consumer Credit Legislation may also lead to civil penalties or criminal fines being imposed on BEN, for so long as it holds legal title to the Loans and Related Security. If the CB Guarantor acquires legal title, it will then become primarily responsible for compliance with the Consumer Credit Legislation. The amount of any civil penalty payable to a Borrower may be set off against any amount payable by the Borrower under a Loan. The CB Guarantor will be indemnified out of the Trust Assets for liabilities it incurs under the Consumer Credit Legislation, to the extent the liability is not incurred due to the CB Guarantor's fraud, negligence, Wilful Default, breach of trust or breach of duty or by operation of law which disentitles it from an indemnity out of the Trust Assets.

The RLOs under the Consumer Credit Legislation are broadly expressed. In recent years, there has been a number of Federal Court decisions, regulatory guidance from ASIC and action which ASIC has taken against licensees, including issuing infringement notices. The practical effect of these developments, among other things, is that the interpretation of, and guidance in relation to, these obligations can change, particularly in respect of whether a credit licensee has taken sufficiently steps to comply with its RLOs.

On each Assignment Date, the Seller will represent to the CB Guarantor that at the time Seller entered into the relevant Loan, it complied in all material respects with all applicable laws. The Seller has undertaken to comply with all applicable laws in connection with servicing each Loan where failure to do so would have an Adverse Effect.

Unfair Terms

In certain circumstances, the terms of the Loans may be subject to review under Part 2 of the Australian Securities and Investments Commission Act 2001 of the Commonwealth of Australia for being unfair.

Under the national regime, a term of a standard-form consumer contract or a small business contract 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 financial or non-financial detriment to a party if it was relied on. A term that is unfair will be void; however, the contract will continue if it is capable of operating without the unfair term.

The national regime commenced on 1 July 2010. The national unfair terms regime may apply to Loans, depending on when the Loans were entered into.

To the extent that a provision of any of the Loans were found to be unfair, this could have an adverse effect on the ability of the CB Guarantor to recover money from the relevant Borrower and consequently to make payments under the Transaction Documents, including in respect of the Covered Bond Guarantee.

On 27 October 2022, the Treasury Laws Amendment (More Competition, Better Prices) Act 2022 (Cth) passed Commonwealth Parliament to amend the national unfair terms regime to:

(a) expand the class of small business contracts to include a small business that employs fewer than 100 employees or has a turnover of less than $10,000,000. The upfront price payable threshold requirements for contracts continue to apply, but the threshold is increased to $5,000,000;

(b) introduce civil penalties for each contravention of the prohibition on proposing, applying or relying on an unfair contract term in a standard form contract; and

(c) introduce more flexible remedies to allow courts to order additional remedies including further injunctive powers once a term has been declared unfair.

These amendments will take effect from 9 November 2023 and apply to all contracts entered into, renewed or varied on or after that date.

Valuation methodology and insurance requirements

Not all Loans have been originated after a full valuation of the property securing such Loans has been obtained. The Servicing Guidelines allow a range of valuation methodologies to be used. Generally, the Servicing Guidelines require that a full valuation of the relevant property be obtained if the Seller considers the risk to be higher due to things like a high loan-to-value ratio, a high property value or the property is of a certain type or location.

For instance, in a number of cases, the original loan to value ratio would have been sufficiently low such that a valuation based on reference to the purchase price of the relevant property is sufficient under the Servicing Guidelines. Similarly, valuation by electronic valuation report, automated valuation method or valuer general's assessment may have been used in similar circumstances. In addition, other than when a Further Advance is made, the Seller does not generally require revaluations of properties over the term of a Loan to reassess the relevant loan-to-value ratio. If the value of the property is not sufficient to cover amounts due under the related Loan then such shortfall may adversely affect the amounts able to be and actually recovered by the CB Guarantor and, consequently, such shortfall may adversely affect the ability of the CB Guarantor to make payments under the Covered Bond Guarantee.

The Seller does not have any general insurance policy in respect of the underlying Properties secured in favour of it under the Loans

The Seller does not hold any general insurance policy as either a primary or "back up" dwelling/building damage or destruction insurance for properties in respect of which it provides Loans. The Loan Terms in respect of each Loan and its Related Security require that a policy of insurance is arranged by the Borrower for each Property subject to a Mortgage in accordance with the relevant Loan Terms. However, the Seller does not generally take steps to confirm that such insurances remain in place throughout the term of the Loan. Instead the Seller relies on Borrowers complying with the insurance covenant in the Loan Terms. Any failure by the Borrower to comply with such obligation could lead to an adverse effect on the realisable value of the Loan in the event of damage or destruction of the relevant Property.

Reliance of the CB Guarantor on third parties

The CB Guarantor has entered into agreements with a number of third parties, which have agreed to perform services for the CB Guarantor. In particular, but without limitation, the Servicer has been appointed to service Loans, the Trust Manager has been appointed to calculate and monitor compliance with the Legislated Asset Coverage Test, the Asset Coverage Test and the Amortisation Test and to manage the business of the CB Guarantor, the Asset Monitor has been appointed to perform certain procedures and report on the accuracy of the Trust Manager's calculations and report on compliance of the Trust with the requirements of the Banking Act and the Account Bank has been appointed to receive and hold monies on behalf of the CB Guarantor and to provide an agreed rate of interest thereon. In the event that any of those parties fails to perform its obligations under the relevant agreement to which it is a party, this may affect the realisable value of the Loans and other assets forming part of the Trust and the ability of the CB Guarantor to make payments under the Covered Bond Guarantee may be adversely affected. For instance, if the Servicer has failed adequately to administer the Loans, this may lead to higher incidences of non-payment or default by

Borrowers. The CB Guarantor is also reliant on the Swap Providers to provide it with the funds matching its obligations under the Covered Bond Guarantee, as described in the following risk factor.

Following the occurrence of a Servicer Termination Event, a Trust Manager Termination Event or a termination event in respect of the Asset Monitor under the Asset Monitor Agreement, the appointment of the relevant service provider may be terminated and there is no assurance that a suitably qualified substitute service provider will be appointed. Any delay in, or inability to, appoint a replacement service provider may adversely affect the ability of the CB Guarantor to perform its general obligations under the Transaction Documents or the servicing of the Loans (in the case of a termination of the Servicer) and this may affect the realisable value of the Loans.

In addition, the CB Guarantor is reliant upon receiving directions from the Trust Manager before it is required to take certain action under the Transaction Documents. If the Trust Manager fails to issue a relevant direction or give a relevant notice to the CB Guarantor, action may not be taken under the Transaction Documents which may adversely affect the CB Guarantor, the Loans and their Related Security and/or the Covered Bondholders.

Reliance on Swap Providers

To provide a hedge against certain interest rate, currency and/or other risks in respect of amounts received by the CB Guarantor under the Loans (which may, for instance, include variable rates of interest, discounted rates of interest or fixed rates of interest) and other Trust Assets (including Substitution Assets and Authorised Investments), amounts payable by the CB Guarantor under the Intercompany Loan and the Demand Loan and/or amounts payable by the CB Guarantor under the Covered Bond Guarantee, the CB Guarantor will enter into the Swap Agreements and Swaps with the relevant Swap Providers.

If the CB Guarantor fails to make timely payments of amounts due under any Swap Agreement, then it will have defaulted under that Swap Agreement and such Swap Agreement may be terminated. A Swap Provider is only obliged to make payments to the CB Guarantor as long as the CB Guarantor complies with its payment obligations under the relevant Swap Agreement.

If a Swap Provider is not obliged to make payments or if it defaults on its obligations to make payments of amounts in the relevant currency equal to the full amount to be paid to the CB Guarantor on the due date for payment under the relevant Swap Agreement, the CB Guarantor will be exposed to changes in the relevant currency exchange rates to the Australian Dollar (where relevant) and/or to any changes in the relevant rates of interest. Unless a replacement swap is entered into the CB Guarantor may have insufficient funds to make payments under the Intercompany Loan, the Demand Loan and/or the Covered Bond Guarantee.

If a Swap Agreement terminates, then the CB Guarantor may also be obliged to make a termination payment to the relevant Swap Provider. There can be no assurance that the CB Guarantor will have sufficient funds available to make a termination payment under the relevant Swap Agreement, nor can there be any assurance that the CB Guarantor will be able to enter into a replacement swap agreement, or if one is entered into, that the credit rating of the replacement swap counterparty will be sufficiently high to prevent a downgrade of the then current ratings of the Covered Bonds by the Rating Agencies. Any such downgrade could lead to a reduction in market value of the Covered Bonds.

If the CB Guarantor is obliged to make a termination payment under any Swap Agreement, such termination payment will rank in priority of payment ahead of (where the relevant Swap Provider is not the Issuer) or pari passu with (where the relevant Swap Provider is the Issuer) 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 of the CB Guarantor to make a termination payment may adversely affect the ability of the CB Guarantor to meet its obligations under the Covered Bond Guarantee.

There can be no assurance that the Swap Agreements will hedge all interest rate, exchange rate or other risks associated with a Tranche or Series of Covered Bonds.

The risk relating to default by a Swap Provider is mitigated (in part) with the requirement on such Swap Provider to, if it does not have certain credit ratings, post collateral with the CB Guarantor if the CB Guarantor's net exposure to the Swap Provider under the Swap Agreement exceeds a certain threshold level. However, there remains a risk of the Covered Bond Swap Provider defaulting before posting collateral or before posting sufficient collateral.

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

The CB Guarantor will, following service of a Notice to Pay, pay or provide for payment of an amount to each Covered Bond Swap Provider on a monthly basis.

The Covered Bond Swap Provider may not be obliged to make corresponding swap payments to the CB Guarantor under a Covered Bond Swap until amounts are due and payable by the CB Guarantor under the relevant Intercompany Loan Advance (prior to the service of a Notice to Pay) or amounts are Due for Payment under the Covered Bond Guarantee (after the service of a Notice to Pay), for example for up to 12 months if the relevant Series of Covered Bonds provide for payment of an annual interest coupon.

If a Covered Bond Swap Provider does not meet its payment obligations to the CB Guarantor under the Covered Bond Swap Agreement or such Covered Bond Swap Provider does not make a termination payment that has become due from it to the CB Guarantor under the Covered Bond Swap Agreement, the CB 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 CB Guarantor's payment obligations under the Covered Bond Swap. Hence, the difference in timing between the obligations of the CB Guarantor and the obligations of the Covered Bond Swap Providers under the Covered Bond Swaps may affect the CB Guarantor's ability to make payments (following service of a Notice to Pay) under the Covered Bond Guarantee with respect to the Covered Bonds.

Insolvency proceedings

If the Issuer 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 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 Issuer becomes insolvent, the treatment and ranking of the Covered Bondholders and the Issuer'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 the Covered Bondholders and the Issuer's shareholders if the Issuer was subject to the bankruptcy laws or the insolvency laws of other jurisdictions.

The Treasury Laws Amendment (2017 Enterprise Incentives No.2) Act 2017 of Australia commenced on 1 July 2018. The legislation provides for a stay on enforcement of certain rights arising under a contract (such as a right entitling a creditor to terminate the contract or to accelerate payments or providing for automatic acceleration) for a certain period of time (and in some cases indefinitely), if the reason for enforcement is the occurrence of certain events relating to specified insolvency proceedings, namely the appointment of an administrator or managing controller or an application for a scheme of arrangement, or the company's financial position during those proceedings (known as "ipso facto" rights). The specified proceedings do not include a winding up or liquidation.

The stay applies to certain ipso facto rights arising under contracts, agreements or arrangements, subject to certain exclusions and transitional provisions. Rights exercised with the consent of the relevant administrator, receiver, scheme administrator or liquidator and the right to appoint controllers during the decision period following the appointment of administrators are excluded and rights prescribed by regulations or Ministerial declarations may be excluded. Such subordinate legislation may also prescribe additional reasons for

application of the stay on enforcement, or for extending the stay indefinitely. The legislation also gives the Federal Court of Australia the power to broaden or narrow the scope and duration of the stay.

The Corporations Regulations 2001 of Australia as amended by the Corporations Amendment (Stay on Enforcing Certain Rights) Regulations 2018 of Australia ("**Regulations**") provide, among other things, that any ipso facto rights under a contract, agreement or arrangement that is a "covered bond" (within the meaning of the Banking Act) or that is for issuing such a bond or directly connected with such a bond or the issuing of such a bond will not be the subject of the stay. Accordingly, the Regulations exclude the Covered Bonds from the application of the ipso facto stays on enforcement; however, there is some uncertainty as to the scope of the application of the exclusion to the other aspects of the Programme given that the relevant contract, agreement or arrangement must be "directly connected" with the Covered Bonds or for issuing Covered Bonds. As the legislation and the Regulations are new to the insolvency regime in Australia, they have been the subject of limited judicial interpretation only. If a court applying Australian insolvency laws were to determine that a contract, agreement or arrangement relating to the Programme did not fall within a relevant exclusion under the Regulations, this may render unenforceable provisions of the Covered Bonds, or of a contract, agreement or arrangement in connection with the Programme, conditioned solely on the occurrence of events to which the ipso facto stay provisions apply. Any such event could, in turn, adversely affect the ability of the CB Guarantor to meet its obligations under the Covered Bond Guarantee.

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. Such provisions are similar in effect to the terms which are included in the Transaction Documents relating to the subordination of Excluded Swap Termination Amounts.

The UK Supreme Court recently confirmed the English Court of Appeal decision that such a subordination provision is valid under English law. It is likely (but not certain) that an Australian court would also consider such a subordination provision to be valid under Australian law. Contrary to the determination of the UK Supreme Court, the U.S. Bankruptcy Court held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a U.S. bankruptcy of the counterparty. The implications of this conflicting judgment are not yet known.

If a creditor of the CB Guarantor (such as a Swap Provider) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales or Australia (including, but not limited to, the U.S.), and it is owed a payment by the CB Guarantor, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the Priority of Payments which refers to the ranking of the Swap Providers' payment rights in respect of Excluded Swap Termination Amounts). In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions 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 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 Transaction 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 Issuer to satisfy its obligations under the Covered Bonds.

Given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will 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.

Change of counterparties

The parties to the Transaction Documents who receive and hold monies pursuant to the terms of such documents (such as the Account Bank and the Servicer) are required to satisfy certain criteria in order that they can continue to receive and hold monies.

These criteria include requirements in relation to the ratings ascribed to such party by the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria detailed above, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the CB Guarantor) may be required to be transferred to another entity which does satisfy the applicable criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction 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.

Sale of Selected Loans and their Related Security following service of an Asset Coverage Test Breach Notice or a Notice to Pay

If an Asset Coverage Test Breach Notice or a Notice to Pay is served on the CB Guarantor (and, in the case of an Asset Coverage Test Breach Notice, for as long as such notice has not been revoked), the CB Guarantor may sell Selected Loans and their Related Security in order to remedy a breach of the Asset Coverage Test or to make payments to the CB Guarantor's creditors, including payments under the Covered Bond Guarantee, as appropriate: see *Overview of the Principal Documents – Participation Deed – Sale of Selected Loans following service of an Asset Coverage Test Breach Notice and Overview of the Principal Documents – Participation Deed – Sale of Selected Loans following service of a Notice to Pay*.

There is no guarantee that a buyer will be found to acquire Selected Loans and their Related Security at the times required and there can be no guarantee or assurance as to the price which the CB Guarantor may be able to obtain, which may affect the ability of the CB Guarantor to make payments under the Covered Bond Guarantee. However, if a Notice to Pay has been served, the Selected Loans may not be sold by the CB Guarantor for less than an amount equal to the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds until six months prior to the Final Maturity Date in respect of the earlier Maturing Covered Bonds or (if the same is specified as applicable in the relevant Final Terms or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement) the Extended Due for Payment Date in respect of such Covered Bonds. In the six months prior to, as applicable, the Final Maturity Date or Extended Due for Payment Date, the CB Guarantor may sell the Selected Loans and their Related Security for the best price reasonably available notwithstanding that such price may be less than the Adjusted Required Redemption Amount. Any sale at a price less than the Adjusted Required Redemption Amount could affect the CB Guarantor's ability to make payments under the Covered Bond Guarantee.

Excess proceeds received by the Bond Trustee will be paid to the CB Guarantor following the occurrence of an Issuer Event of Default

Following the occurrence of an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice any Excess Proceeds received by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series will be paid to the CB Guarantor, as soon as practicable, and must be held by the CB Guarantor in the GI Account and the Excess Proceeds will thereafter form part of the Security and will be used by the CB Guarantor in the same manner as all other moneys from time to time standing to the credit of the GI 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 CB Guarantor). However, the obligations of the CB Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration Notice and a Notice to Pay or, if earlier, a CBG 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 Covered Bondholder will be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the CB Guarantor for application in the manner as described above.

Payments by the CB Guarantor may be treated as interest for Australian withholding tax purposes

It is possible that payments by the CB 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. Investors should be aware that in the event payments by the CB Guarantor are subject to any withholding or deduction for or on account of tax, the CB Guarantor will not be required to pay any additional amounts to Covered Bondholders.

Failure to comply with the Asset Coverage Test or Amortisation Test may result in the acceleration of the obligations of the Issuer and the CB Guarantor

If the aggregate value of the Loans forming part of the Trust Assets has not been maintained in accordance with the terms of the Asset Coverage Test or the Amortisation Test, then that may affect the realisable value of such Loans or any part thereof (both before and after the occurrence of a CBG Event of Default) and/or the ability of the CB 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 an Issuer Acceleration Notice and a Notice to Pay on the CB Guarantor) will constitute a CBG Event of Default, thereby entitling the Bond Trustee to accelerate the Covered Bonds against the Issuer (to the extent not already accelerated against the Issuer) and also the CB Guarantor's obligations under the Covered Bond Guarantee against the CB Guarantor subject to and in accordance with the Terms and Conditions of the Covered Bonds.

None of the CB Guarantor, the Security Trustee or the Bond Trustee will be responsible for monitoring compliance with, nor the monitoring of, the Asset Coverage Test or the Amortisation Test or any other test.

Deterioration in the Australian housing market could adversely affect the ability of the CB Guarantor to make payments under the Covered Bond Guarantee

The Issuer's business includes mortgage lending in Australia with loans secured against residential property. Any deterioration in the quality of the Loans forming part of the Trust Assets could have an adverse effect on the CB Guarantor's ability to make payments 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.

The current Australian economic environment may affect the rate at which the Seller originates new Loans and may also affect the level of attrition of the Seller's existing obligors, which could in turn adversely affect the ability of the CB Guarantor to make payments under the Covered Bond Guarantee.

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

In order to enforce the Loans in certain situations, such as Defaulted Loans, a court order or other judicial or administrative proceedings may be needed in order to establish the obligor'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 Loan and any related Loans. 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 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 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 likely proceeds from such litigation, in light of the expenses in relation to the litigation, do not warrant such litigation.

The value of the Loans forming part of the Trust Assets may decline, which may result in losses to the Covered Bondholders

The guarantee granted by CB Guarantor in respect of the Covered Bonds, will, inter alia, be backed by the CB Guarantor's interest in the Loans forming part of the Trust Assets (through its right of indemnity from the Trust Assets). Since the economic value of the Loans forming part of the Trust Assets may increase or decrease, the value of the Trust's assets may decrease (for example if there is a general decline in property values). Neither the Issuer nor the CB Guarantor makes any representation, warranty or guarantee that the value of a mortgaged property will remain at the same level as it was on the date of the origination of the related Loan or at any other time. The value of the Loans forming part of the Trust Assets may have been significantly reduced by the overall decline in property values experienced by the residential property market in Australia and may also be further reduced by any additional decline in such property values. This, ultimately, may result in losses to the Covered Bondholders if such security is required to be enforced.

RISK FACTORS RELATING TO THE COVERED BONDS

Extendable obligations under the Covered Bond Guarantee

Following the failure by the Issuer to pay the Final Redemption Amount of a Series of Covered Bonds on their Final Maturity Date (in each case subject to the applicable grace period) and if, following service of a Notice to Pay on the CB Guarantor (by no later than the date which falls one Business Day prior to the Extension Determination Date), payment of the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of such Series of Covered Bonds is not made in full on the date falling on the earlier of (a) the date which falls two Business Days after service of a Notice to Pay on the CB Guarantor or, if later, the Final Maturity Date (in each case after the expiry of the grace period) or (b) the Extension Determination Date, then the payment of such Guaranteed Amounts may be automatically deferred until the Extended Due for Payment Date.

To the extent that the CB Guarantor has received a Notice to Pay by the time specified above and has sufficient monies available under the Guarantee Priority of Payments to pay in part the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of the relevant Series of Covered Bonds, the CB Guarantor shall make partial payment of the Final Redemption Amount in accordance with the Guarantee Priority of Payments as described in Condition 7(a) (*Final redemption*). Payment of the unpaid portion of the Final Redemption Amount shall be deferred automatically until the applicable Extended Due for Payment Date. The Extended Due for Payment Date will be specified in the relevant Final Terms or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement, but will not be less than one year later than the related Final Maturity Date. The CB Guarantor shall be entitled to make payments in respect of the Final Redemption Amount on any Interest Payment Date up until the Extended Due for Payment Date. Interest will continue to accrue and be payable on the unpaid portion of the Final Redemption Amount in accordance with Condition 4 (*Interest*), and the CB Guarantor will pay Guaranteed Amounts constituting Scheduled Interest on each Interest Payment Date and the Extended Due for Payment Date. In these circumstances, except where the CB Guarantor has failed to apply any amount in accordance with the Guarantee Priority of Payments, failure by the CB Guarantor to make payment in respect of the Final Redemption Amount on the Final Maturity Date (subject to the applicable grace period) shall not constitute a CBG Event of Default. However, failure by the CB Guarantor to pay Guaranteed Amounts corresponding to the Final Redemption

Amount or the balance thereof, as the case may be, on the Extended Due for Payment Date or to pay Guaranteed Amounts constituting Scheduled Interest on any Original Due for Payment Date or the Extended Due for Payment Date (in each case subject to the applicable grace period) shall constitute a CBG Event of Default.

Further issue of Covered Bonds under the Programme may adversely affect the existing Covered Bondholders.

Save in respect of the first issue of Covered Bonds issued under the Programme, 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 from 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 (save as set out in the Guarantee Priority of Payments) and will share in the security granted by the CB Guarantor under the Security Trust Deed.

The issue of a further series of Covered Bonds may adversely impact the interests of any existing Covered Bondholders as a result of a reduction in the level of collateralisation in the cover pool or as a result of the risk associated with timing subordination as described below.

Additionally, whilst each Series of Covered Bonds will rank pari passu with all other Series of Covered Bonds (and, save for certain debts of the Issuer required to be preferred by law, including but not limited to, those referred to in Divisions 2 and 2AA of Part II of the Australian Banking Act and section 86 of the Australian Reserve Bank Act, at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding) pursuant to the terms of the Security Trust Deed, each Series of Covered Bonds is likely to have a different Final Maturity Date. There is a risk that Covered Bonds maturing later will not be paid or will not be paid in full under the Covered Bond Guarantee, as cover pool assets are not segregated for different Series of Covered Bonds and will be used to repay earlier maturing Covered Bonds first. Where cover pool assets are insufficient to meet the claims of Covered Bondholders of all Series, investors of certain Series may not be paid in full and as a result, such investors may suffer losses on their investments in part or in full.

Prior to the occurrence of a CBG Event of Default, if an Issuer Event of Default occurs in respect of a particular Series of Covered Bonds then, following the service of an Issuer Acceleration Notice on the Issuer (copied to the CB Guarantor) and service of a Notice to Pay on the CB Guarantor, the Covered Bonds of all Series then outstanding will accelerate at the same time as against the Issuer but will be subject to, and have the benefit of, payments made by the CB Guarantor under the Covered Bond Guarantee. If a CBG Event of Default occurs in respect of a particular Series of Covered Bonds, then following the service of a CBG Acceleration Notice, the Covered Bonds of all Series outstanding will accelerate as against the Issuer (if not already accelerated following the occurrence of an Issuer Event of Default and the service on the Issuer and the CB Guarantor of an Issuer Acceleration Notice) and the obligations of the CB Guarantor under the Covered Bond Guarantee will accelerate.

There is no guarantee that the remaining cover pool assets will be sufficient to meet in full the claims of the remaining Covered Bondholders under the Covered Bond Guarantee. In such circumstances, Covered Bondholders will be adversely affected as they may not receive payment in full of all amounts due in respect of the Covered Bonds held by them and suffer losses on their investments in part or in full.

Limited description of the Loans

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

(a) the Seller selling Loans and their Related Security to the CB Guarantor; and

(b) the Seller repurchasing Loans and their Related Security from the CB Guarantor in accordance with the Mortgage Sale Deed and the Participation Deed.

The Loans assigned to the CB Guarantor on any Assignment Date may not have the same characteristics as those Loans as at that Assignment Date. Although each Loan will be required to meet the Eligibility Criteria and satisfy the Representations and Warranties set out in the Mortgage Sale Deed – see *Overview of the Principal Documents – Mortgage Sale Deed – Sale by the Seller of the Loans and Related Security*, the Eligibility Criteria and Representations and Warranties may change in certain circumstances with the agreement of the Seller and the Trust Manager, on behalf of the CB Guarantor, provided that a Ratings Notification has been delivered by the Trust Manager in respect of any such waiver. This could adversely affect the ability of the CB Guarantor to meet its obligations under the Covered Bond Guarantee. In addition, the Asset Coverage Test is intended to test whether the Adjusted Aggregate Loan Amount is an amount equal to or in excess of the aggregate AUD Equivalent of the Principal Amount Outstanding of the Covered Bonds for so long as Covered Bonds remain outstanding (although there is no assurance that it will do so) and the Trust Manager will provide monthly reports that will set out certain information in relation to the Asset Coverage Test. Covered Bondholders should refer to *General Information – Post-issuance information* for more information on what ongoing information will be provided in relation to the Loans and the calculations made under the Asset Coverage Test in relation to it. 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 risks of the Covered Bonds.

The credit and origination policies of the Seller may change and if any Loans have been originated under revised policies and the Loans are then sold to the CB Guarantor in accordance with and pursuant to the terms of the Mortgage Sale Deed, the characteristics of the Loans could change. This could adversely affect the ability of the CB Guarantor to meet its obligations under the Covered Bond Guarantee.

Ratings of the Covered Bonds

The credit ratings assigned to a Series of the Covered Bonds may not reflect the potential impact of all risks related to the structure and other factors on any trading market for, or trading value of, the Covered Bonds. In addition, real or anticipated changes in the credit ratings of the Covered Bonds will generally affect any trading market for, or trading value of, the Covered Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, cancellation, reduction or withdrawal at any time by the assigning rating agency. Any suspension, reduction or withdrawal of a rating by a rating agency could reduce the liquidity or market value of the Covered Bonds.

The expected ratings of a Series of the Covered Bonds will be set out in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement. In addition, the applicable Final Terms or Pricing Supplement, as the case may be, will specify which Rating Agencies are giving a credit rating to the relevant Series of Covered Bonds. The relevant Series of Covered Bonds may be rated by one or more Rating Agencies as set out therein. Any Rating Agency may lower its rating or withdraw its rating if, in the sole judgment of the Rating Agency, the credit quality of the Covered Bonds has declined or is in question.

In the event that a rating assigned to the Covered Bonds or the Issuer is subsequently lowered or withdrawn or qualified for any reason, no 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 addition, at any time any Rating Agency may revise its relevant rating methodology with the result that, amongst other things, any rating assigned to the Covered Bonds may be lowered. If any rating assigned to the Covered Bonds is lowered or withdrawn, the market value of the Covered Bonds may reduce.

Rating agencies other than the Rating Agencies could seek to rate the Covered Bonds and if such unsolicited ratings are lower than the comparable ratings assigned to the Covered Bonds by a Rating Agency, those unsolicited ratings could have an adverse effect on the value of the Covered Bonds. For the avoidance of

doubt and unless the context otherwise requires, any reference to “ratings” or “rating” in this Prospectus is to the ratings assigned by a Rating Agency only.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time (including as a result of changes to rating methodologies). A credit rating may not reflect the potential impact of all of the risks related to the structure, market, additional factors discussed above and other factors that may affect the value of the Covered Bonds. A downgrade in the rating of the Issuer or the sovereign rating of Australia may have a negative impact on the credit ratings of the Covered Bonds.

APRA’s powers under the Banking Act

For background information on APRA’s powers under the Banking Act, see *Structure Overview – Background and Australian legislative framework*.

Power to direct the return of certain assets

APRA has the power to direct a covered bond special purpose vehicle (such as the CB Guarantor) to return certain assets to the issuing ADI, but only to the extent that, at the time the direction is given, the relevant asset(s) do not secure “covered bond liabilities” (as defined in the Banking Act including, in the case of BEN, the liabilities of the Issuer to the Covered Bondholders). A covered bond special purpose vehicle has the power to comply with APRA’s direction despite anything in its constitution or any contract or arrangement to which it is a party.

Accordingly, APRA may direct the CB Guarantor to return to the Issuer assets beneficially owned by it to the extent the assets secure senior-ranking liabilities of the CB Guarantor to the Issuer. In the context of the Programme, this means that APRA, at least, has the power to direct the CB Guarantor to return to the Issuer any assets referable to the Senior Portion Outstanding of the Demand Loan to the extent repayment of the Senior Portion Outstanding of the Demand Loan ranks senior to the amounts due and payable by the CB Guarantor to the Covered Bondholders and Couponholders under the Covered Bond Guarantee in the Guarantee Priority of Payments and Post-Enforcement Priority of Payments. In that case, the return of assets to the Issuer would discharge the CB Guarantor’s obligation to repay the Demand Loan to the extent of the value of the assets returned.

The formulation of this power gives rise to some uncertainties as it has not been the subject of any specific regulatory guidance or any judicial interpretation. However, the power has been provided to APRA to enable it to protect depositors and to maintain the stability of the Australian financial system.

The ability to return assets to the Issuer in respect of the Senior Portion Outstanding of the Demand Loan and the CB Guarantor’s ability to repay the Senior Portion Outstanding of the Demand Loan will, prior to the service of a Notice to Pay or a CBG Acceleration Notice, be subject to the satisfaction of the Asset Coverage Test following the transfer of such assets which may comprise cash, Loans and Related Security and/or Substitution Assets and/or Authorised Investments, in each case selected by the Trust Manager on behalf of the CB Guarantor. However, if APRA exercises the power to direct the return of assets to the Issuer, then depending on the manner in which APRA exercises the power, the value of the remaining assets held by the CB Guarantor and/or the ability of the CB Guarantor to meet its obligations under the Covered Bond Guarantee, may be adversely affected.

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

The Banking Act also permits APRA, as part of its broad administrative powers to give directions to ADIs under the Banking Act in certain circumstances (described in more detail in “Structure Overview – Background and Australian legislative framework – Prudential supervision and standards”), to direct the Issuer, in certain circumstances, not to transfer any asset to the CB Guarantor (that is, to prevent the Issuer “topping up” the Loans). The exercise of this power could potentially lead to the depletion of the Loans which may adversely affect the ability of the CB Guarantor to meet its obligations under the Covered Bond Guarantee.

Power to prevent further issue of covered bonds

In addition to the restriction under the Banking Act 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 Banking Act) of the Issuer'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 Banking Act or in circumstances where APRA has reason to believe that the Issuer has contravened the Banking Act or any other prudential requirement regulation or a prudential standard relating to covered bonds.

Limitation on obligations under the Covered Bonds

The Covered Bonds will not represent an obligation or be the responsibility of the Arrangers, the Dealers, the Agents, the Bond Trustee, the Security Trustee, the Trust Manager or any of their respective affiliates or any other party to the Programme, their officers, members, directors, employees, security holders or incorporators, other than the Issuer and the CB Guarantor. The Issuer will be liable solely in its corporate capacity for its obligations in respect of the Covered Bonds and such obligations will not be the obligations of its officers, members, directors, employees, security holders or incorporators. The CB Guarantor will be liable solely in respect of the Bendigo and Adelaide Bank Covered Bond Trust for its obligations under the Covered Bond Guarantee and such obligations will not be the obligations of Perpetual Corporate Trust Limited in its personal capacity (except in limited circumstances where the CB Guarantor is fraudulent, negligent or acts in Wilful Default) or its officers, members, directors, employees, security holders or incorporators.

The liability of the CB Guarantor to the Covered Bondholders under the Covered Bond Guarantee and to other Secured Creditors is limited in recourse to the Collateral. If:

(a) there is no Collateral remaining which is capable of being realised or otherwise converted into cash;

(b) all amounts available from the Collateral have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Security Trust Deed; or

(c) there are insufficient amounts available from the Collateral to pay in full, in accordance with the provisions of the Security Trust Deed, the Secured Money,

then the Covered Bondholders shall have no further claim against the CB Guarantor in respect of the amounts owing to them which remain unpaid and such unpaid amounts shall be deemed to be discharged and any relevant payment rights shall be deemed to cease.

There is no guarantee that the proceeds of realisation of the Collateral 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 Transaction Documents.

In addition, except in the case of the CB Guarantor's fraud, negligence or Wilful Default, a party to a Transaction Document may not sue the CB Guarantor in any capacity other than as trustee of the Trust or take any other action to seek recourse to any assets held by the CB Guarantor in any capacity other than as trustee of the Trust, including seeking the appointment of a receiver (except in relation to the Trust Assets), a liquidator, an administrator or any similar person to the CB Guarantor or prove in any liquidation, administration or arrangement of or affecting the CB Guarantor (except in relation to the Trust Assets).

Except in the case of the CB Guarantor's fraud, negligence or Wilful Default, a party to a Transaction Document may not have recourse to the CB Guarantor, or enforce their rights against the CB Guarantor arising from breach or non-performance of the obligations of the CB Guarantor, beyond the Assets against which the CB Guarantor is actually indemnified.

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

Except where a Transaction Document expressly records that the Security Trustee may act in its discretion, in the exercise of its powers, trusts, authorities and discretions, the Security Trustee shall act on the directions of the Bond Trustee (who shall only have regard to the interests of the Covered Bondholders), for so long as there are any Covered Bonds outstanding and thereafter, the Security Trustee shall act on the directions of all of the other Secured Creditors. If, in connection with the exercise of its powers, trusts, authorities or discretions (including giving any directions to the Security Trustee), the Bond Trustee is of the opinion that the interests of the holders of the Covered Bonds of any one or more Series would be materially prejudiced thereby, the Bond Trustee shall 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 at least 25 per cent. of the AUD Equivalent of the Principal Amount Outstanding of Covered Bonds of the relevant Series then outstanding.

Except as expressly provided in the Transaction Documents:

(a) the Security Trustee need not exercise any of its rights under the Transaction Documents without the specific instructions of:

  (i) if there are any Covered Bonds outstanding, the Bond Trustee; and

  (ii) otherwise, in accordance with an Extraordinary Resolution of the Secured Creditors of that Trust; and

(b) neither the Bond Trustee nor any other Secured Creditor may instruct the Security Trustee:

  (i) in the particular manner in which any of its rights are exercised or to comply with any of its obligations under the Transaction Documents; or

  (ii) to do any thing which is contrary to the terms of the Transaction Documents.

If the Security Trustee receives instructions from the Bond Trustee or the Secured Creditors in accordance with paragraph (a) above, it agrees to follow them and (unless it has actual notice to the contrary, without any obligation to enquire or investigate) may assume that they are in accordance with the Transaction Documents and are subject to the Security Trustee's limitation of liability.

The Bond Trustee and/or the Security Trustee, as applicable, shall not be obliged to take any such steps and/or actions and/or institute any such proceedings if not first indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may have an impact on when such steps and/or actions can be taken and/or such proceedings can be instituted. The Bond Trustee and/or the Security Trustee, as applicable, may not be able to take steps and/or actions and/or institute proceedings, notwithstanding the provision of an indemnity or security or pre-funding to it, in breach of the terms of the Bond Trust Deed or the Transaction Documents, and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law or regulations, it will be for the holders of the Covered Bonds to take such steps and/or actions and/or institute such proceedings directly.

The Bond Trustee and the Security Trustee may agree to modifications to the Transaction Documents without the Covered Bondholders' or 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 and/or 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 Relevant Issuer and the CB Guarantor (or the Trust Manager on its behalf) and any other party, and/or direct the Security Trustee to concur with the Relevant Issuer, the CB Guarantor (or the Trust Manager on its behalf) or any other party, in making any modification to the Covered Bonds of one or more Series, the related Coupons or to the Bond Trust Deed, the Security Trust Deed or

the other Transaction Documents (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, (b) which in the opinion of the Bond Trustee is of a formal, minor or technical nature, or which in the opinion of the Bond Trustee is made to correct a manifest or proven error, (c) which is made to accommodate the accession of a new Servicer, new Swap Provider (including a standby Swap Provider), new Trust Manager, new Account Bank, new Cover Pool Monitor or new Agent to the Programme (subject to certain conditions) (d) which is made to accommodate the removal or addition of a Rating Agency from the Programme (subject to certain conditions) (e) which is made to take into account new, changed or updated covered bonds ratings criteria of the Rating Agencies (subject to certain conditions) (f) which is made to allow a Swap Provider to transfer securities as Swap Collateral under a relevant Swap Agreement (g) which is made to ensure compliance of the Programme, the Issuer or a Swap Provider with, or ensure that the Programme, the Issuer or a Swap Provider may benefit from, among other things, legislation and prudential standards (subject to certain conditions) or (h) which is made to permit the acquisition by the CB Guarantor from the Seller of Loans originated by an entity other than the Seller and to enable the CB Guarantor to protect or perfect its title to such Loans (subject to certain conditions).

Pursuant to the terms of the Security Trust Deed, the Security Trustee must agree to a variation of a Transaction Document where the Security Trustee is directed to do so by the Bond Trustee (while there are Covered Bonds outstanding) or otherwise by an Extraordinary Resolution of the Secured Creditors, except to the extent that the Security Trustee determines that any such variation imposes an additional obligation or liability on the Security Trustee or reduces any fees or other amount due to the Security Trustee. In addition, the Security Trustee may agree to a variation of a Transaction Document (without the approval of the Bond Trustee or the Secured Creditors) if:

(a) there are no Covered Bonds outstanding; and

(b) the variation is in the reasonable opinion of the Security Trustee:

  (i) necessary to correct an obvious error, or is otherwise of a minor, formal, technical or administrative nature only; or

  (ii) necessary or advisable to comply with any Law or any requirements of any Government Agency; or

  (iii) not materially prejudicial to the Secured Creditors as a whole.

Certain decisions of 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 or to direct the Bond Trustee to serve a CBG Acceleration Notice following a CBG Event of Default and any direction to the Bond Trustee to take any enforcement action or to direct the Security Trustee to take any enforcement action must be passed at a single meeting of the holders of all Covered Bonds of all Series then outstanding.

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 Transaction Document unless the Bond Trustee or Security Trustee, as applicable, have been indemnified and/or prefunded and/or secured to its satisfaction and provided that in the case of Security Trustee, it will not be bound to take any enforcement proceedings which may, in its opinion, in its absolute discretion, result in it failing to receive any payment to which it is or would be entitled.

Realisation of Collateral following the occurrence of a CBG Event of Default and delivery of a CBG Acceleration Notice to the Security Trustee

If a CBG Event of Default occurs and a CBG Acceleration Notice is served on the CB Guarantor and delivered to the Security Trustee, then the Security Trustee will (at the direction of the Bond Trustee) be entitled to enforce the Security created under and pursuant to the Security Trust Deed and the proceeds

from the realisation of the Collateral 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.

There is no guarantee that the proceeds of realisation of the Collateral 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 Transaction Documents.

If, following the occurrence of a CBG Event of Default, a CBG Acceleration Notice is served on the CB Guarantor then the Covered Bonds may be repaid sooner or later than expected or not at all.

CB Guarantor's Liability

The CB Guarantor enters into the Transaction Documents only in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust and in no other capacity. A liability arising under or in connection with the Transaction Documents is limited to and can be enforced against the CB Guarantor only to the extent to which it can be satisfied out of assets of the Bendigo and Adelaide Bank Covered Bond Trust out of which the CB Guarantor is actually indemnified for the liability. This limitation of the CB Guarantor's liability applies despite any other provision of the Transaction Documents (other than for its fraud, negligence or Wilful Default) and extends to all liabilities and obligations of the CB Guarantor in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to a Transaction Document. As a result, the Covered Bondholders may have limited recourse to the assets of the Bendigo and Adelaide Bank Covered Bond Trust and their position may be adversely affected in the event that the Covered Bondholders have a claim (other than for fraud, negligence or Wilful Default) against the CB Guarantor.

In relation to the Bendigo and Adelaide Bank Covered Bond Trust, no person may sue the CB Guarantor in any capacity other than as trustee of the Bendigo and Adelaide Bank Covered Bond Trust, including seeking the appointment of a receiver (except in relation to the assets of the Bendigo and Adelaide Bank Covered Bond Trust), a liquidator, an administrator or any similar person to the CB Guarantor or prove in any liquidation, administration or arrangement of or affecting the CB Guarantor (except in relation to the assets of the Bendigo and Adelaide Bank Covered Bond Trust). The CB Guarantor is not obliged to do or refrain from doing anything under the Transaction Documents (including incur any liability) unless the CB Guarantor's liability is limited in the same manner as set out Terms and Conditions of the Covered Bonds. As a result, the Covered Bondholders may be adversely affected by any actions, or failure to act, by the CB Guarantor.

The above will not apply to any obligation or liability of the CB Guarantor to the extent that it is not satisfied because under the Transaction Documents or by operation of law there is a reduction in the extent of the CB Guarantor's indemnification out of the assets of the Bendigo and Adelaide Bank Covered Bond Trust as a result of the CB Guarantor's fraud, negligence or Wilful Default.

It is acknowledged that certain parties are each responsible under the Transaction Documents for performing a variety of obligations relating to the Trust. No act or omission of the CB Guarantor (including any related failure to satisfy its obligations or breach of representation or warranty under any Transaction Document) will be considered fraud, negligence or Wilful Default of the CB Guarantor to the extent to which the act or omission was caused or contributed to by any failure by any party or any other person to fulfil its obligations relating to the Bendigo and Adelaide Bank Covered Bond Trust or by any other act or omission of any party or any other person. This may have an adverse impact on the Covered Bondholders by limiting the recourse they might otherwise in the event of losses suffered as a result of any acts or omissions of the CB Guarantor.

Absence of secondary market

There is not, at present, an active and liquid secondary market for the Covered Bonds, and no assurance is provided that a secondary market for the Covered Bonds will develop. None of the Covered Bonds or the Covered Bond Guarantee has been, or will be, registered under the Securities Act or any other applicable securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set forth under *Subscription and Sale and Transfer and Selling Restrictions*. To the extent that a secondary market develops, it may not continue for the life of the Covered Bonds or it may not provide Covered

Bondholders with liquidity of investment with the result that a Covered Bondholder may not be able to find a buyer to buy its Covered Bonds readily or at prices that will enable the Covered Bondholder to realise a desired yield.

This may be 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 would generally 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.

In addition, potential investors in Covered Bonds should be aware of the prevailing credit market conditions, whereby there has been a history of prolonged lack of liquidity in the secondary market for instruments similar to the Covered Bonds. As a result, there continues to exist additional risks to the Issuer and the investors which may affect the returns on the Covered Bonds to investors.

In addition, from time to time, crises have stalled the primary market for a number of financial products including instruments similar to the Covered Bonds. If a liquidity crisis occurs for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Covered Bonds will recover at the same time or to the same degree as such other recovering global credit market sectors.

Covered Bonds not in physical form

Other than in respect of Australian Domestic Covered Bonds, unless the Bearer Global Covered Bonds or the Registered Global Covered Bonds are exchanged for Bearer Definitive Covered Bonds or Registered Definitive Covered Bonds, respectively, which exchange will only occur in the limited circumstances set out under *Form of the Covered Bonds – Bearer Covered Bonds and Form of the Covered Bonds – Registered Covered Bonds* below, the beneficial ownership of the Covered Bonds will be recorded in book-entry form only with Euroclear and Clearstream. The fact that the Covered Bonds are not represented in physical form could, among other things:

(a) result in payment delays on the Covered Bonds because distributions on the Covered Bonds will be sent by or on behalf of the Issuer to Euroclear or Clearstream instead of directly to Covered Bondholders;

(b) make it difficult for Covered Bondholders to pledge the Covered Bonds as security if Covered Bonds in physical form are required or necessary for such purposes; and

(c) hinder the ability of Covered Bondholders to resell the Covered Bonds because some investors may be unwilling to buy Covered Bonds that are not in physical form.

With respect to Australian Domestic Covered Bonds, see the section entitled Form, Settlement and Transfer of Australian Domestic Covered Bonds.

Modification and waiver

The Terms and Conditions of the Covered Bonds and the Bond Trust Deed contain provisions for convening meetings of Covered Bondholders (including by way of teleconference or videoconference call) to consider any matters affecting their interests generally. These provisions permit defined percentages of Covered Bondholders to bind all Covered Bondholders including Covered Bondholders who did not attend and vote at the relevant meeting and Covered Bondholders who voted in a manner contrary to such defined percentages of Covered Bondholders and therefore the result of such a meeting may not be in the interests of a specific Covered Bondholder.

If a Covered Bond is issued without the benefit of tax gross-up, its returns and market value may be affected

The Issuer may issue Covered Bonds without any obligation to gross-up the relevant Covered Bondholders or Couponholders in the event it is required to make a withholding or deduction in respect of a payment made by it in relation to the Covered Bonds by any law or regulation or the administrative practice of any jurisdiction. This may affect the return of relevant Covered Bondholders or Couponholders in respect of the Covered Bonds and may affect the market value of those Covered Bonds.

RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF COVERED BONDS

A wide 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 most common such features.

Covered Bonds subject to optional redemption by the Issuer, which may limit their market value

Where the relevant Final Terms or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement specifies Redemption at the option of the Issuer (Call) as being applicable, the Covered Bonds may be redeemed at the Issuer's option in certain circumstances and accordingly the Issuer may choose to redeem the Covered Bonds at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Covered Bonds.

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.

If the Issuer elects to call a Series of Covered Bonds which has an optional redemption feature, those Covered Bonds may be redeemed before the Final Maturity Date and before any of the existing Series of Covered Bonds. This should be taken into account when investing in a Series of Covered Bonds.

Fixed Rate Covered Bonds

Investment in Fixed Rate Covered Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Covered Bonds.

Fixed/Floating Rate Covered Bonds

The Issuer may issue Covered Bonds which bear interest at a rate that may convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate 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, the spread on the Covered Bonds may be less favourable than the 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, the fixed rate may be lower than the then prevailing rates on its Covered Bonds.

Covered Bonds issued at a substantial discount or premium and future Covered Bonds

The market values of securities issued at a substantial discount from or premium to 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, variable interest 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.

GENERAL RISK FACTORS

The CB Guarantor may be required to make payments to the Australian Taxation Office in limited circumstances

The Issuer owns all the units in the Bendigo and Adelaide Bank Covered Bond Trust and therefore the Bendigo and Adelaide Bank Covered Bond Trust is automatically a member of the Issuer's tax consolidated group. The Issuer, as head company of the tax consolidated group, is liable to pay the income tax liabilities of all members of the tax consolidated group. In the event that the head company of a tax consolidated group defaults in its payment of group tax liabilities, the Australian Taxation Office can have direct recourse to all members of the tax consolidated group on a joint and several basis. However, joint and several liability is precluded by the Australian tax legislation from arising if the group tax liability is covered by a valid tax sharing agreement. Instead of joint and several liability, the liability of each subsidiary member of the group to the Australian Taxation Office would be limited to the amount allocated to that entity under the tax sharing agreement. Generally, if the Issuer defaulted on its payment of tax, the Group's deed of tax sharing would, provided that it is still in effect at the relevant (future) time, prevent any joint and several liability arising and should result in a nil allocation of liability to the Bendigo and Adelaide Bank Covered Bond Trust. It should be noted however that it is possible that the Commissioner of Taxation could change his current views, and any ultimate determination as to whether or not a tax sharing agreement would be valid rests with the Courts. If for any reason the CB Guarantor is found liable to make payments to the Australian Taxation Office, it may adversely affect the CB Guarantor's business, operations and financial performance or position.

In the event that the Issuer defaulted on payment of a particular group tax liability and the deed of tax sharing did not cover that group tax liability or was found to be no longer effective, then joint and several liability of the subsidiary members of the Issuer's tax consolidated group would not be limited. Depending on the amount that the CB Guarantor is liable for, this may adversely affect the CB Guarantor's business, operations and financial position.

No obligation to obtain or maintain listing

The Issuer is not under any obligation to Covered Bondholders to obtain or maintain any listing of Covered Bonds and may, in certain circumstances, seek to terminate the listing of any Series of Covered Bonds. These circumstances include any other future law or regulation which imposes other requirements (including new corporate governance requirements) on the Issuer that it in good faith determines are impractical or unduly burdensome in order to obtain or maintain the continued listing of any Covered Bonds issued under the Programme on a regulated market in the UK.

In these circumstances, the Issuer may, in its sole discretion, determine that it is unduly burdensome to obtain or maintain such listing and seek to terminate the listing of such Covered Bonds issued by it provided it uses its reasonable endeavours to seek an alternative admission to listing, trading and/or quotation of such Covered Bonds by another listing authority, securities exchange and/or quotation system that it deems appropriate. However, if such alternative listing authority, securities exchange and/or quotation system is not available or, in the opinion of the Issuer, is impractical or unduly burdensome, an alternative listing may not be obtained.

Although there is no assurance as to the liquidity of any Covered Bonds as a result of the listing on a regulated market in the UK, delisting such Covered Bonds may have a material effect on the ability of investors (i) to continue to hold such Covered Bonds or (ii) to resell the Covered Bonds in the secondary market.

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 English law, Australian law and Australian regulatory, accounting and administrative practice in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to English law or Australian law or Australian regulatory, accounting or administrative practice 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 or the ability of the CB Guarantor to make payments under the Covered Bond Guarantee.

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 its 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 and the CB Guarantor will make any payments under the Covered Bond Guarantee in the 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 other than the Specified Currency (the "**Investor's 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 (i) the Investor's Currency-equivalent yield on the Covered Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Covered Bonds and (iii) 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.

Covered Bonds linked to or referencing benchmarks

Interest rates and indices which are deemed to be benchmarks (including, amongst others, the Euro Interbank Offered Rate ("**EURIBOR**") and the BBSW Rate) are and have been the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. 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, the Treasury Laws Amendment (2017 Measures No. 5) Act 2018 of Australia amended the Corporations Act 2001 of Australia (the **"Corporations Act"**), to, among other things, establish a licensing regime for administrators of significant financial benchmarks (including the BBSW Rate) and enable ASIC to make rules relating to the generation and administration of such benchmark indices. On 6 June 2018 ASIC issued the ASIC Financial Benchmark (Administration) Rules 2018 (the "**Administration Rules**") and the ASIC Financial Benchmark (Compelled) Rules 2018 (the "**Compelled Rules**") pursuant to this power. These Administration Rules require, among other things, a person who is licensed to administer a regulated benchmark (a benchmark administrator licensee) to: (i) use a method for generating that benchmark that is designed to ensure the quality, integrity, availability, reliability and credibility of that benchmark; (ii) to act efficiently, honestly and fairly in generating and administering that benchmark; and (iii) to ensure that arrangements with persons who contribute data to the generation of benchmarks ("**contributors**") meet

certain criteria for these purposes. The Compelled Rules, among other things, allow ASIC to require a benchmark administrator licensee to continue to generate or administer a regulated benchmark and to require contributors to continue to provide data required for the generation of the relevant benchmark. Although the Compelled Rules and a number of the other Australian reforms have been designed to support the reliability and robustness of the BBSW Rate, it is not possible to predict with certainty whether, and to what extent, the BBSW Rate will continue to be supported or the extent to which related regulations, rules, practices or methodologies may be amended going forward. This may cause the BBSW Rate to perform differently than it has in the past, and may have other consequences which cannot be predicted. For example, it is possible that these changes could cause the BBSW Rate to cease to exist, to become commercially or practically unworkable, or to become more or less volatile or liquid. Any such changes could have a material adverse effect on the Covered Bonds.

In Europe, Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016, as amended (the "**EU Benchmarks Regulation**") and Regulation (EU) 2016/1011 as it forms part of domestic law in the UK by virtue of the EUWA (the "**UK Benchmarks Regulation**") each applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU and the UK, respectively. They, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based or non-UK based (as applicable), to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU or UK supervised entities (as applicable) of benchmarks of administrators that are not authorised or registered (or, if non-EU based or non-UK based (as applicable), not deemed equivalent or recognised or endorsed).

Both the EU Benchmarks Regulation and the UK Benchmarks Regulation could have a material impact on any Covered Bonds linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation or the UK Benchmarks Regulation. 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.

The euro risk-free rate working group for the euro area has published a set of guiding principles and high-level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

It is not possible to predict with certainty whether, and to what extent, EURIBOR, BBSW Rate or any other benchmark will continue to be supported going forwards. This may cause EURIBOR, BBSW Rate or any other such benchmark to perform differently than they have done in the past, and may have other consequences which cannot be predicted. 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.

If a benchmark were discontinued or otherwise unavailable, the rate of interest on Floating Rate Covered Bonds which reference or are linked to that benchmark will be determined for the relevant period by the fallback provisions applicable to such Covered Bonds. The use of a substitute or successor rate may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on the relevant Floating Rate Covered Bonds if the relevant reference rate remained available in its current form. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Covered Bonds which reference such benchmark.

In addition, the discontinuation of any benchmarks, or changes in the manner of administration of any benchmark, could require an adjustment to the Terms and Conditions in respect of any Floating Rate Covered Bonds linked to such benchmark. Such factors may have the following effects on certain benchmarks:

- discourage market participants from continuing to administer or contribute to the benchmark;
- trigger changes in the rules or methodologies used in the benchmark; or
- lead to the elimination of the benchmark.

Any of above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the yield and value of and return on any Floating Rate Covered Bonds linked to or referencing a benchmark.

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.

Benchmark discontinuation under the Terms and Conditions

The Terms and Conditions of the Covered Bonds provide for certain fallback arrangements in the event that a published benchmark, such as EURIBOR, SONIA, SOFR, SARON, BBSW Rate, AONIA Rate or other relevant reference rates, ceases to exist or be published or a Benchmark Event, SOFR Benchmark Transition Event, Temporary Disruption Trigger or Permanent Discontinuation Trigger, as applicable, occurs.

These fall-back arrangements include the possibility that:

- the Interest Rate could be determined by reference to a Successor Rate, Alternative Rate, SOFR Benchmark Replacement, Fallback Rate or such other rate determined pursuant to the Terms and Conditions, as applicable (each a "**Benchmark Fallback Rate**"); and
- an Adjustment Spread, SOFR Benchmark Replacement Adjustment or BBSW/AONIA Adjustment Spread, as applicable (which could be positive, negative or zero) (a "**Benchmark Adjustment Spread**"), may be applied to or taken into account in the calculation of such Benchmark Fallback Rate as a result of the replacement of the relevant benchmark or screen rate (as applicable) originally specified with the Benchmark Fallback Rate.

Certain Benchmark Amendments or other amendments, in the case of Covered Bonds referencing SOFR, may also be made without the consent or approval of holders of the relevant Covered Bonds. In the case of any Successor Rate or Alternative Rate, any (i) Adjustment Spread (in the case of a Successor Rate, unless formally recommended or provided for) and (ii) any Benchmark Amendments shall be determined by the Issuer (acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser).

Any Benchmark Adjustment Spread that is applied or taken into account may not be effective to reduce or eliminate economic prejudice to investors. The use of a Benchmark Fallback Rate, (including with the application of a Benchmark Adjustment Spread) will still result in any Covered Bonds linked to or referencing a benchmark performing differently (which may include payment of a lower rate of interest) than they would if the relevant benchmark were to continue to apply in its current form.

In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period may result in the Interest Rate 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 Interest Rate applicable to such Covered Bonds on the Interest Commencement Date. In addition, due to the uncertainty concerning the availability of any Benchmark Fallback Rate, any determinations that may need to be made by the Issuer (and, if applicable,

the involvement of any independent adviser), the relevant fall-back provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value, market price or liquidity of and return on any such Covered Bonds. Any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Covered Bonds and could also have a material adverse effect on the value, market price or liquidity of, and the amount payable under, the Floating Rate Covered Bonds. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Covered Bonds.

The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Covered Bonds

Where the applicable Final Terms of Pricing Supplement for a series of Floating Rate Covered Bonds specifies that the interest rate for such Floating Rate Covered Bonds will be determined by reference to SONIA, SOFR, SARON, BBSW Rate or AONIA Rate, interest will be determined on the basis of Compounded Daily SONIA, Compounded Daily SOFR, Compounded Daily SARON, Compounded Daily BBSW or Compounded Daily AONIA, respectively (each as defined in the Terms and Conditions). All such rates are based on "overnight rates". Overnight rates differ from interbank rates, such as LIBOR, in a number of material respects, including (without limitation) that such rates are backwards-looking, compounded, risk-free or secured 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 overnight rates may behave materially differently as interest reference rates for Floating Rate Covered Bonds issued under the Programme compared to interbank rates. The use of overnight rates as reference rates for covered bonds is subject to continued change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of covered bonds referencing such overnight rates.

Accordingly, prospective investors in any Floating Rate Covered Bonds referencing any overnight rates should be aware that the market continues to develop in relation to such rates in the capital markets and their adoption as an alternative to interbank offered rates such as LIBOR. Market participants, industry groups and/or central bank-led working groups have explored compounded and weighted average rates and observation methodologies for such rates (including so-called "shift", "lag" and "lock-out" methodologies) and forward-looking "term" reference rates derived from these overnight rates have also been, or are being, developed. The adoption of overnight rates may also see component inputs into swap rates or other composite rates transferring from LIBOR or another reference rate to an overnight rate.

The market or a significant part thereof may adopt an application of SONIA, SOFR and/or SARON that differs significantly from that set out in the Terms and Conditions of the Covered Bonds and used in relation to Floating Rate Covered Bonds that reference a SONIA, SOFR or SARON rate issued under this Prospectus. The Issuer may in the future also issue Floating Rate Covered Bonds referencing SONIA, SOFR or SARON that differ materially in terms of interest determination when compared with any previous Floating Rate Covered Bonds referencing SONIA, SOFR or SARON under this Programme. The continued development of overnight rates as interest reference rates for the bond markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise adversely affect the market price of any such Covered Bonds issued under the Programme from time to time.

Furthermore, the Interest Rate on Covered Bonds which reference overnight rates is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Covered Bonds which reference overnight rates to estimate reliably the amount of interest which will be payable on such Covered Bonds, and some investors may be unable or unwilling to trade such Covered Bonds without changes to their IT systems, both of which factors could adversely impact the liquidity of such Covered Bonds. Further, in contrast to LIBOR-based Covered Bonds, if Covered Bonds referencing an overnight rate become due and payable as a result of an Event of Default under the Terms and Conditions or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Interest Rate payable in respect of such Covered Bonds shall only be determined immediately prior to the date on which the Covered Bonds become due and payable.

In addition, the manner of adoption or application of overnight rates in the bond markets may differ materially when compared with the application and adoption of the same overnight rates for the same currencies in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of overnight 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 Covered Bonds referencing overnight rates.

For risks related to the benchmark fallback for reference rates (including BBSW Rate and AONIA Rate), see *Benchmark discontinuation under the Terms and Conditions*.

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

The Interest Payment Dates for any series of Floating Rate Covered Bonds for which Payment Delay is specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement as the Observation Method for SOFR will be a number of business days (as may be specified in the applicable Final Terms or the Pricing Supplement, as the case may be) after the Interest Period End Date in respect of the relevant Interest Period

The Interest Payment Dates for Floating Rate Covered Bonds for which Payment Delay is specified as the Observation Method for SOFR in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement ("Payment Delay Covered Bonds") will be a number of business days (as may be specified in the applicable Final Terms or the Pricing Supplement, as the case may be) after the Interest Period End Date in respect of the relevant Interest Period. This convention differs from the convention that has been used historically for floating rate debt securities linked to other benchmark or market rates, such as LIBOR, where interest typically has been paid on the last day of an interest period. As a result, holders of Payment Delay Covered Bonds will receive payments of interest on a delayed basis as compared to other Floating Rate Covered Bonds in which they may have previously invested.

With respect to any Payment Delay Covered Bonds, in determining the Rate of Interest in the final Interest Period, the SOFR rate for any day from, and including, the Cut-off Date to, but excluding, the Final Maturity Date (or the Optional Redemption Date, if applicable) will be the SOFR rate in respect of the relevant Cut-off Date

For the final Interest Period with respect to any Payment Delay Covered Bonds, the SOFR rate for any day from, and including, the Cut-off Date to, but excluding, the Final Maturity Date (or the Optional Redemption Date, if applicable) will be the SOFR rate in respect of the Cut-off Date. The Cut-off Date will be a date which is a number of business days prior to the Final Maturity Date (or the Optional Redemption Date, if applicable) as specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement. Therefore, holders of Payment Delay Covered Bonds will not receive the benefit of any increase in the level of SOFR on any date subsequent to the Cut-off Date, which could reduce the amount of interest that may be payable.

The amount of interest payable with respect to each Interest Period for which SONIA or SOFR is the reference rate for the Floating Rate Covered Bonds will only be determined near the end of the Interest Period

The Rate of Interest payable on Floating Rate Covered Bonds which reference a SONIA rate or a SOFR rate is only capable of being determined at the end of the relevant Observation Period (as defined in the Terms and Conditions of the Covered Bonds) and shortly prior to the relevant Interest Payment Date (as defined in the Terms and Conditions of the Covered Bonds). It may therefore be difficult for investors in Floating Rate Covered Bonds which reference a SONIA rate or a SOFR rate to reliably estimate 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 information technology systems, both of which factors could adversely impact the liquidity of such Floating Rate Covered Bonds.

Further, if Floating Rate Covered Bonds referencing a SONIA rate or a SOFR rate become due and payable as a result of an Event of Default under Condition 9 (*Events of Default and Enforcement*), 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 on, or immediately prior to, the date on which the Floating Rate Covered Bonds become due and payable.

Basel Capital Accord

The Basel Committee on Banking Supervision approved significant changes to the Basel II regulatory capital and liquidity framework in 2011 (such changes being commonly referred to as "**Basel III**"). In particular, Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**" ("**NSFR**")). Member countries were required to implement the new capital standards and the new Liquidity Coverage Ratio as soon as possible and the NSFR from January 2018. Implementation of Basel III requires national legislation and therefore the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation.

Implementation of the Basel framework and any changes as described above may have an impact on the capital requirements in respect of the Covered Bonds and/or eligibility of the Covered Bonds as liquid assets for the purposes of minimum liquidity standards (and therefore 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.

In general, investors should consult their own advisers as to the relevant prudential rules, including regulatory capital requirements in respect of the Covered Bonds and the eligibility of Covered Bonds as liquid assets for the purposes of minimum liquidity standards 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. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

RBA Repo-Eligibility

Application may be made by the Issuer to RBA to have certain Australian Domestic Covered Bonds to be eligible securities (or repo eligible) for the purposes of repurchase agreements with the RBA. The RBA has published criteria for repo-eligibility for covered bonds. No assurance can be made that any application by the Issuer for repo-eligibility in respect of any Australian Domestic Covered Bonds will be successful, or that those Australian Domestic Covered Bonds will continue to be repo-eligible even if they are eligible in relation to their initial issue.

In the event that the Australian Domestic Covered Bonds are deemed not to be repo-eligible, it may adversely affect the liquidity of the Australian Domestic Covered Bonds or their attractiveness to secondary investors. Covered Bondholders of the Australian Domestic Covered Bonds may not be able to find a buyer to buy their Covered Bonds readily or at prices that will enable the Covered Bondholders to realise a desired yield, and suffer financial loss as a result.

It may be necessary for a Covered Bondholder to bring a suit in the courts of England or New South Wales, Australia (as applicable) to enforce its rights against the Issuer or the CB Guarantor

The Issuer and the CB Guarantor have agreed to submit to the exclusive jurisdiction of the courts of England in any action arising out of the Bond Trust Deed, the Offshore Agency Agreement, the Programme Agreement and the Covered Bonds (but, in each case, excluding the Australian Domestic Covered Bonds) and the non-exclusive jurisdiction of the courts of New South Wales, Australia in any action arising out of the documents governed by Australian law. In the limited instances where a Covered Bondholder or Couponholder may proceed directly against the Issuer or CB Guarantor due to a failure to act by the Bond Trustee or the Security Trustee, as the case may be, as described herein, it may be necessary for such

Covered Bondholder or Couponholder to bring a suit in the courts of England or New South Wales, Australia (as applicable) to enforce its rights against the Issuer or the CB Guarantor, as the case may be, with respect to the Bond Trust Deed or any other Transaction Document (excluding the Transaction Documents to the extent that they refer only to the Australian Domestic Covered Bonds), the Covered Bonds (but excluding the Australian Domestic Covered Bonds) or the Coupons.

The Issuer and the CB Guarantor are organised under the laws of Australia. All or substantially all of the directors and officers of the Issuer and the CB Guarantor may be located outside of the United Kingdom and, as a result, it may not be possible for Covered Bondholders located in the United Kingdom to effect service of process within Australia upon the Issuer, the CB Guarantor, or their directors and officers. All or a substantial portion of the assets of the Issuer, CB Guarantor, and their directors and officers, may be located outside of the United Kingdom and, as a result, it may not be possible to satisfy a judgment against the Issuer, the CB Guarantor or their directors or officers in the United Kingdom or to enforce a judgment obtained in the courts of England and Wales against the Issuer, the CB Guarantor or their directors and officers outside of the United Kingdom. In such an event, Covered Bondholders may be adversely affected and left with limited recourse.

If the Bond Trustee is required to hold an Australian Financial Services Licence and is unable to rely on an exemption or enter into some other arrangement, it may not be able to perform certain obligations required to be performed by it in accordance with the terms of the Bond Trust Deed

The Bond Trustee does not hold an Australian Financial Services Licence ("**AFSL**"). In the event that the Bond Trustee is required to hold an AFSL, and is unable to rely on an exemption from the requirement to hold an AFSL or is unable to enter into some other arrangement, the Bond Trustee may not be able to perform actions otherwise required to be performed by it in accordance with the terms of the Bond Trust Deed (but for the fact that it does not hold an AFSL) in respect of the Covered Bonds. This may adversely affect dealings by the Bond Trustee in respect of the Covered Bonds or under the Covered Bond Guarantee in relation to the Covered Bonds. In addition, Covered Bondholders may be adversely affected by the failure to act on the part of the Bond Trustee, which may adversely affect the value of the Covered Bonds.

The Anti-Money Laundering and Counter-Terrorism Financing Act may result in a delay or decrease in the amounts received by a Covered Bondholder in respect of the Covered Bonds

The Australian Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) ("**AML/CTF Act**") regulates reporting entities. Reporting entities are identified by reference to a list of various designated services. These include making a loan in the course of carrying on a loan business or the issuing or selling of a security (e.g., a share or debenture) by a company (other than a security in the company itself).The AML/CTF Act operates in conjunction with the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1) (the "**AML/CTF Rules**") and any other Anti-Money Laundering and Counter-Terrorism Financing rules which may be made by the Chief Executive Officer of the AUSTRAC from time to time. Among other things, the AML/CTF Rules outline more detailed risk-based requirements for verifying customer identities and monitoring customer transactions on an ongoing basis. Contravention of the AML/CTF Act attracts certain civil and criminal penalties of fines up to A$22.2 million and imprisonment for up to 10 years.

The obligations placed upon a reporting entity can affect the services of an entity or the funds it provides and ultimately may result in a delay or decrease in the amounts received by a Covered Bondholder in respect of the Covered Bonds.

The Covered Bonds may be de-listed, which may materially affect an investor's ability to resell

Application has been made to admit the Covered Bonds (other than Exempt Covered Bonds) issued under the Programme and pursuant to this Prospectus to the Official List and to admit the Covered Bonds to trading on the main market of the London Stock Exchange. Such approval will be granted when such Covered Bonds (to the extent agreed to be so listed) are admitted to the Official List. Application may also be made

for Covered Bonds issued under the Programme to be listed on any other listing authority, stock exchange (including the ASX) or quotation system as specified in the relevant Final Terms or Pricing Supplement.

Covered Bonds quoted and/or traded on the London Stock Exchange and/or listing authority, stock exchange or quotation system may be de-listed. No assurance can be given that once listed, quoted and/or traded on the London Stock Exchange and/or any other applicable listing authority, stock exchange or quotation system the Covered Bonds will at all times remain listed on that stock or securities exchange and it may not be possible to list the Covered Bonds on any stock or securities exchange. Although no assurance is made as to the liquidity of the Covered Bonds as a result of listing on the London Stock Exchange or any other listing authority, stock exchange or quotation system, de-listing the Covered Bonds may have a material adverse effect on a Noteholder's ability to resell the Covered Bonds in the secondary market.

FORM OF THE COVERED BONDS

The following description is not applicable to Australian Domestic Covered Bonds

The Covered Bonds of each Series will be in either bearer form, with or without receipts, interest coupons and/or talons attached, or registered form, without receipts, interest coupons and/or talons attached. Bearer Covered Bonds will be issued outside the United States to non-U.S. persons in reliance on Regulation S and Registered Covered Bonds may be issued outside the United States in reliance on Regulation S or otherwise in private transactions that are exempt from the registration requirements of the Securities Act.

Bearer Covered Bonds

Each Tranche of Bearer Covered Bonds will be initially issued in the form of a temporary global covered bond without receipts and interest coupons attached (a "**Temporary Global Covered Bond**"), unless the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement specifies otherwise, which will be delivered on or prior to the issue date of the relevant Tranche to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream.

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

While 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 of the Temporary Global Covered Bond) only outside the United States and its possessions and to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Covered Bond or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received by Euroclear and/or Clearstream and Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

If the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement indicates that a Temporary Global Covered Bond may be exchanged for Bearer Definitive Covered Bonds, trading of such Covered Bonds in Euroclear and Clearstream will only be permitted in amounts which are an integral multiple of the minimum Specified Denomination.

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 receipts and interest coupons attached (a "**Permanent 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) Bearer Definitive Covered Bonds of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement and subject, in the case of Bearer Definitive Covered Bonds, to such notice period as is specified in the applicable Final Terms or Pricing Supplement, as the case may be), 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 States and certain U.S. persons will not be able to receive Bearer Definitive Covered Bonds or interests in the Permanent Global Covered Bond. The holder of a Temporary 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 Global Covered Bond for an interest in a Permanent 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 Global Covered Bond will be made outside the United States and its possessions and through Euroclear and/or Clearstream against presentation or surrender (as the case may be) of the Permanent Global Covered Bond without any requirement for certification.

Interests in a Permanent Global Covered Bond will be exchanged by the Issuer in whole but not in part only at the option of the holder of such Permanent Global Covered Bond, for Definitive Covered Bonds and/or (in the case of a Series comprising both Bearer and Registered Covered Bonds) Registered Covered Bonds, if (unless specified otherwise in the relevant Final Terms or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement) (a) the Issuer has or will become subject to adverse Tax consequences that would not be suffered were the Permanent Global Covered Bond (and any interests therein) exchanged for Definitive Covered Bonds and/or, as the case may be, Registered Covered Bonds; or (b) Euroclear or Clearstream or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so; or (c) so specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement, at the option of the holder of such Permanent Global Covered Bond upon such holder's request, in all cases at the cost and expense of the Issuer (each, an "**Exchange Event**" and unless otherwise specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). If the Issuer does not make the required delivery of Definitive Covered Bonds and/or Registered Covered Bonds by 6.00 p.m. (London time) on the day on which the relevant notice period expires or, as the case may be, the 30th day after the day on which such Permanent Global Covered Bond becomes due to be exchanged such Permanent Global Covered Bond will become void in accordance with its terms but without prejudice to the rights conferred by the Bond Trust Deed.

The option described in (c) above should not be expressed to be applicable if the relevant Covered Bonds have denominations consisting of a minimum Specified Denomination plus one or more integral multiples of another smaller amount.

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

The following legend will appear on all Bearer Covered Bonds that have an original maturity of more than one year (other than Temporary Global Covered Bonds) and on all receipts, talons and interest coupons relating to such Bearer Covered Bonds:

"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 U.S. INTERNAL REVENUE CODE OF 1986 AS AMENDED."

The sections referred to provide that U.S. persons (as defined for U.S. federal tax purposes), with certain exceptions, will not be entitled to deduct any loss on Bearer Covered Bonds, receipts, talons or interest coupons 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, receipts, talons or interest coupons.

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, 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 and may not be held otherwise than through Euroclear or Clearstream, and such Regulation S Global Covered Bond will bear a legend regarding such restrictions on transfer (see *Subscription and Sale and Transfer and Selling Restrictions*).

Registered Global Covered Bonds will be deposited with the Common Depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, as specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement.

Payments of principal, interest and any other amount in respect of the Registered Global Covered Bonds will be made to the person shown on the Register as the registered holder of the Registered Global Covered Bonds. None of the Issuer, the CB 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 be made to the persons shown on the Register on the relevant Record Date (as defined in the Terms and Condition) 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 Registered Definitive Covered Bonds without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (a) in the case of a Registered Global Covered Bond registered in the name of the Common Depositary or its nominee, the Issuer has been notified that both Euroclear and Clearstream 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, (b) the Issuer has or will become subject to adverse Tax consequences which would not be suffered were the Registered Global Covered Bond (and any interests therein) exchanged for Registered Definitive Covered Bonds. The Issuer will promptly give notice to Covered Bondholders of each Series of Registered Global Covered Bonds in accordance with Condition 13 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event Euroclear and/or Clearstream (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 (b) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

Transfer of Interests

Registered Covered Bonds are subject to the restrictions on transfer set forth herein and will bear a legend regarding such restrictions: see *Subscription and Sale and Transfer and Selling Restrictions*.

General

Any reference herein to Euroclear and/or Clearstream shall, 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, in the case of Exempt Covered Bonds, the applicable Pricing Supplement or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Bond Trustee.

No Covered Bondholder or Couponholder shall be entitled to proceed directly against the Issuer or the CB Guarantor unless the Bond Trustee or, as the case may be, the Security Trustee, having become so bound to proceed, fails so to do within a reasonable period and the failure shall be continuing.

FORM, SETTLEMENT AND TRANSFER OF AUSTRALIAN DOMESTIC COVERED BONDS

The following description is only applicable to Australian Domestic Covered Bonds.

Form of Australian Domestic Covered Bonds

Australian Domestic Covered Bonds will be issued in dematerialised registered form only. No certificate or other evidence of title will be issued in respect of Australian Domestic Covered Bonds.

Summary of provisions relating to clearance and settlement of Australian Domestic Covered Bonds

Austraclear

On issue of any Australian Domestic Covered Bonds, the Issuer will (unless otherwise specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) procure that the Australian Domestic Covered Bonds are entered into the settlement system operated by Austraclear ("**Austraclear System**"). On entry, Austraclear will become the sole registered holder and legal owner of the Australian Domestic Covered Bonds. Subject to the rules and regulations known as the "**Austraclear Regulations**" established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System, participants of the Austraclear System ("**Accountholders**") may acquire rights against Austraclear in relation to those Australian Domestic Covered Bonds as beneficial owners and Austraclear is required to deal with the Australian Domestic Covered Bonds in accordance with the directions and instructions of the Accountholders. Any potential investors who are not Accountholders would need to hold their interest in the relevant Australian Domestic Covered Bonds through a nominee who is an Accountholder. All payments by the Issuer in respect of Australian Domestic Covered Bonds entered in the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear Regulations.

Holding of Australian Domestic Covered Bonds through Euroclear and Clearstream

On entry in the Austraclear System, interests in the Australian Domestic Covered Bonds may be held through Euroclear or Clearstream. In these circumstances, entitlements in respect of holdings of interests in the Australian Domestic Covered Bonds in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear, while entitlements in respect of holdings of interests in the Australian Domestic Covered Bonds in Clearstream would be held in the Austraclear System by a nominee of JPMorgan Chase Bank N.A. as custodian for Clearstream.

The rights of a holder of interests in Australian Domestic Covered Bonds held through Euroclear or Clearstream are subject to the respective rules and regulations of Euroclear and Clearstream, the arrangements between Euroclear and Clearstream and their respective nominees and the Austraclear Regulations.

Transfers

Any transfer of Australian Domestic Covered Bonds will be subject to the Corporations Act and the other requirements set out in the Australian Terms and Conditions of the Australian Domestic Covered Bonds and, where the Australian Domestic Covered Bonds are entered in the Austraclear System, the Austraclear Regulations.

Secondary market sales of Australian Domestic Covered Bonds settled in the Austraclear System will be settled in accordance with the Austraclear Regulations.

Relationship of Accountholders with Austraclear Australia

Accountholders who acquire an interest in Australian Domestic Covered Bonds entered in the Austraclear System must look solely to Austraclear for their rights in relation to such Australian Domestic Covered Bonds and will have no claim directly against the Issuer in respect of such Australian Domestic Covered Bonds

although, under the Austraclear Regulations, Austraclear may direct the Issuer to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the holder of any Australian Domestic Covered Bond that is lodged in the Austraclear System, Austraclear may, where specified in the Austraclear Regulations, transfer the Australian Domestic Covered Bonds to the person in whose Security Record (as defined in the Austraclear Regulations) those Australian Domestic Covered Bonds are recorded and, as a consequence, remove those Australian Domestic Covered Bonds from the Austraclear System.

Potential investors in Australian Domestic Covered Bonds should inform themselves of, and satisfy themselves with, the Austraclear Regulations and (where applicable) the rules of Euroclear and Clearstream and the arrangements between them and their nominees in the Austraclear System.

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.

[Date]

Bendigo and Adelaide Bank Limited
(ABN 11 068 049 178)

Issuer Legal Entity Identifier (LEI): 549300Y9URD6W70K0360

Issue of [Aggregate Nominal Amount of Tranche or Series] [Title of Covered Bonds] under the A$6,000,000,000 Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments of interest and principal by Perpetual Corporate Trust Limited (ABN 99 000 341 533) as trustee of the Bendigo and Adelaide Bank Covered Bond Trust (the Trust)

The Covered Bonds described in this Final Terms 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 of any state or other jurisdiction of the United States and may not be offered or sold in 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 (**Regulation S**) unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

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 (**EU**) 2016/97 (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) 2017/1129 (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 or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA42. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[MIFID II PRODUCT GOVERNANCE / 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 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 / 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.][2]

[**NO RETAIL PRODUCT DISTRIBUTION CONDUCT** – This document and the Covered Bonds are not for distribution to any person in Australia who is a retail client for the purposes of section 761G of the Corporations Act. No target market determination has been or will be made for the purposes of Part 7.8A of the Corporations Act.]

[Notification pursuant to Section 309B of the Securities and Futures Act 2001 of Singapore – The Covered Bonds are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore).]]

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 2023 [and the supplement to the Prospectus dated [*insert date*]] ([together,] the **Prospectus**), which constitute[s] a base prospectus for the purposes of the Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and the Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the **UK Prospectus Regulation**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Regulation and the UK Prospectus Regulation, and must be read in conjunction with the Prospectus [as so supplemented] in order to obtain all the relevant information. The Prospectus has been published on the website of the London Stock Exchange at https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html]

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the Conditions) set forth in the Prospectus dated [●] which are incorporated by reference in the Base Prospectus dated 5 June 2023 [and the supplement to the Prospectus dated [*insert date*]] ([together,] the **Prospectus**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and the Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the **UK Prospectus Regulation**), and must be read in conjunction with the Prospectus dated 5 June 2023 [and the supplements to the Prospectus dated [●]] which together constitute a base prospectus for the purposes of the Prospectus Regulation and the UK Prospectus Regulation, in order to obtain all the relevant information. The Prospectus has been published on the website of the London Stock Exchange at https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.]

1.	Issuer:	Bendigo and Adelaide Bank Limited
2.	CB Guarantor:	Perpetual Corporate Trust Limited

[1] Legend to be included on the front of the Final Terms if one or more of the Dealers in relation to the Covered Bonds is a MiFID regulated entity.

[2] Legend to be included on the front of the Final Terms if one or more of the Dealers in relation to the Covered Bonds is a UK MiFIR regulated entity.

3.	(a) Series of which Covered Bonds are to be treated as forming part:	[●]
	(b) Tranche Number:	[●] [*If fungible with an existing Series, details of that Series, including the date on which the Covered Bonds become fungible*]
	(c) 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:	
	(a) Series:	[●]
	(b) Tranche:	[●]
6.	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]].
7.	(a) 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]. (*Covered Bonds (including Covered Bonds denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom, or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum denomination of £100,000 (or its equivalent in other Specified Currencies*).) (*In the case of Covered Bonds offered in Australia, the minimum subscription amount in respect of an issue or transfer is A$500,000 (disregarding any amount lent by the offeror, the Issuer or any associated person of the offeror or Issuer) (or, if the Covered Bonds are denominated in a currency other than Australian Dollars, at least the equivalent amount in such currency)*.)
	(b) Calculation Amount:	[●] *(If there is only one Specified Denomination, insert the Specified Denomination.* *If there is more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations*.)

		(*Calculation Amount not required for interest calculations in the case of Fixed Rate Covered Bonds which are represented by a Global Covered Bond. See Condition 4(a)*)
8.	(a) Issue Date:	[●]
	(b) 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:	[●]
11.	Interest Basis:	For the period from (and including) the Issue Date to (but excluding) the Final Maturity Date: [Fixed Rate] [*Specify Reference Rate* + / - [ ] per cent Floating Rate] If payment of the Guaranteed Amount corresponding to the Final Redemption Amount is deferred in whole or in part, for the period from (and including) the Final Maturity Date to (but excluding) the Extended Due for Payment Date: [Fixed Rate] [*Specify Reference Rate* + / - [ ] per cent Floating Rate] (see paragraphs 17 and 18 below)
12.	Redemption/Payment Basis:	[99]/[100]/[101] per cent. of the nominal amounts
13.	Change of Interest Basis or Redemption/Payment Basis:	[Applicable – the Interest Basis will change from [●] to [●] in accordance with paragraph [19]/[20] below on the Final Maturity Date]/[Not Applicable]
14.	Put/Call Options:	[Not Applicable] [Investor Put] [Issuer Call] [(see paragraphs 20 and 21 below)]
15.	Status of the Covered Bonds:	Senior
16.	Status of the Covered Bond Guarantee:	Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.	Fixed Rate Covered Bond Provisions:	[Applicable from the Interest Commencement Date to the Final Maturity Date]/[Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*

	(a) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/[●]] in arrear on each Interest Payment Date
	(b) Interest Payment Date(s):	[●] in each year up to and including the Final Maturity Date, subject to adjustment in accordance with the Business Day Convention set out below
	(c) Fixed Coupon Amount(s): *(Applicable to Covered Bonds in definitive form.)*	[●]] per Calculation Amount/Not Applicable]
	(d) Broken Amount(s): *(Applicable to Covered Bonds in definitive form.)*	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/[Not Applicable]
	(e) Day Count Fraction:	[30/360 or Actual/Actual (ICMA) or RBA Bond Basis/Australian Bond Basis]
	(f) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	• Adjusted:	[Applicable/Not Applicable]
	• Non-Adjusted:	[Applicable/Not Applicable]
	(g) Additional Business Centre(s):	[●]
	(h) Determination Date(s):	[●] in each year/ [Not Applicable]
18.	Floating Rate Covered Bond Provisions:	[Applicable from the Interest Commencement Date to the Final Maturity Date]/[Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(a) Specified Period(s)/Specified Interest Payment Dates:	The period from, and including, each Specified Interest Payment Date to, but excluding, the following Specified Interest Payment Date provided that the first Specified Period shall be from, and including, the Interest Commencement Date to, but excluding, the next Specified Interest Payment Date. [●] from, but excluding, the Interest Commencement Date to, and including, the earlier of (i) the date on which the Final Redemption Amount is paid in full; and (ii) the Final Maturity Date;
	(b) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
	(c) Additional Business Centre(s):	[●]
	(d) 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 - SARON] [BBSW Rate Determination] [AONIA Rate Determination]

		[ISDA Determination]
(e)	Party responsible for determining the Rate of Interest and/or calculating the Interest Amount (if not the Principal Paying Agent):	[●]/[Not Applicable]
(f)	Screen Rate Determination (other than BBSW Rate or AONIA Rate):	[Applicable – Term Rate/Applicable – SONIA/Applicable – SOFR/Applicable – SARON/Not Applicable]
	• Reference Rate:	[[ ] month] [EURIBOR] [SONIA/SONIA Index] [SOFR/SOFR Index] [Compounded Daily SARON]
	• Representative Amount:	[●]
	• Interest Determination Date(s):	[●]/[Second day on which T2 is open prior to the start of each Interest Period (if EURIBOR)]/[The day falling the number of London Banking Days included in the below SONIA Observation Look-Back Period prior to the day on which the relevant Interest Period ends (but which by its definition is excluded from the Interest Period)/The day falling the number of U.S. Government Securities Business Days included in the below SOFR Observation Shift Period prior to the day on which the relevant Interest Period ends (but which by its definition is excluded from the Interest Period)] (*Unless otherwise agreed with the Calculation Agent, the Interest Determination Date for Covered Bonds cleared through Euroclear/Clearstream, Luxembourg must be at least 5 London Business Days prior to the Interest Payment Date*)
	• [Reference Banks:]	[●] (*N.B. Delete this paragraph if Reference Rate is SOFR or SOFR Index*)
	• [Relevant Screen Page]	[●]
	• Relevant Financial Centre:	[●]
	• SONIA Averaging Method:	[Compounded Daily/Compounded Index/Weighted Average/Not Applicable]
	• SONIA Observation Method:	[Not Applicable/Lag/Lock-out/Shift] *(Only include for Floating Rate Covered Bonds for which the Reference Rate is specified as being "SONIA" and*

SONIA Averaging Method is specified as being "Compounded Daily")

- SONIA Observation Look-Back Period: [5/[●] [London Banking Day[s]]/[Not Applicable]

  (N.B. When setting the SONIA Observation Look-Back Period, the practicalities of this period should be discussed with the Principal Paying Agent. It is anticipated that '(p)' will be no fewer than 5 London Banking Days unless otherwise agreed with the Principal Paying Agent.)

  (Only include for Floating Rate Covered Bonds for which the Reference Rate is specified as being "SONIA" and SONIA Averaging Method is specified as being "Compounded Daily")

- SOFR Averaging Method: [Compounded Daily/Compounded Index/Weighted Average/Not Applicable]
- SOFR Observation Method: [Not Applicable/Lag/Lock-out/Payment Delay/Shift]
- SOFR Observation Look-Back Period: [5/[●] [U.S. Government Securities Business Day[s]]/[Not Applicable]
- SOFR Cut-off Date: [●]/[Not Applicable]
- *p*: [●]/[Not Applicable]
- Index Determination: [Applicable/Not Applicable]

  (*N.B. Only include for Floating Rate Covered Bonds for which the Reference Rate is specified as being "SONIA Index" or "SOFR Index"*)

- Relevant Time: [●][a.m./p.m.] [*specify city*]

(g) BBSW Rate Determination: [Applicable/Not Applicable]

(h) AONIA Rate Determination: [Applicable/Not Applicable]

(i) ISDA Determination: [Applicable/Not Applicable]

- ISDA Definitions: 2021 ISDA Definitions
- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]
- Compounding: [Applicable/Not Applicable]
- Overnight Rate Compounding Method: [Compounding with Lookback

  Lookback: [[●] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

[Compounding with Observation Period Shift

Observation Period Shift: [[•] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

Observation Period Shift Additional Business Days: [•]/[Not Applicable]]

[Compounding with Lockout

Lockout: [[●] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

Lockout Period Business Days: [●]/[Applicable Business Days]]

(N.B. When setting the applicable number of days with reference to the items above (if applicable), the practicalities of such period should be discussed with the Calculation Agent. It is anticipated that the relevant number will be no fewer than 5 such days unless otherwise agreed with the Calculation Agent, as applicable/required.)

- Averaging: [Applicable/Not Applicable]

- Averaging Method: [Averaging with Lookback

Lookback: [[[●] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

[Averaging with Observation Period Shift

Observation Period Shift: [[[●] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

Observation Period Shift Additional Business Days: [[•]/[Not Applicable]]

[Averaging with Lockout

Lockout: [[[●] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

Lockout Period Business Days: [●]/[Applicable Business Days]

- Index Provisions: [Applicable/Not Applicable]

	• Index Method:	Compounded Index Method with Observation Period Shift Observation Period Shift: [[●] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)] Observation Period Shift Additional Business Days: [•]/[Not Applicable] *(N.B. When setting the applicable number of days with reference to the items above (if applicable), the practicalities of such period should be discussed with the Calculation Agent. It is anticipated that the relevant number will be no fewer than 5 such days unless otherwise agreed with the Calculation Agent, as applicable/required.)*
	(j) Linear Interpolation:	[Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
	(k) Margin(s):	[+/-] [●] per cent. per annum
	(l) Minimum Rate of Interest:	[●] per cent. per annum
	(m) Maximum Rate of Interest:	[●] per cent. per annum
	(n) Day Count Fraction:	[Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
	(o) Interest Amounts Non-Adjusted:	[Applicable/Not Applicable] [*specify*]
	(p) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions:	[Applicable/Not Applicable] [*specify*]

PROVISIONS RELATING TO REDEMPTION

19.	Notice periods for Condition [7(b)] (Redemption for tax reasons) or Condition [7(e)] (Redemption due to illegality):	Minimum Period: [30] days Maximum Period: [60] days

20.	Issuer Call:	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(a) Optional Redemption Date(s):	[●]
	(b) Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]
	(c) If redeemable in part:	[Applicable/Not Applicable]
	(i) Minimum Redemption Amount:	[●]
	(ii) Maximum Redemption Amount:	[●]
	(d) Notice period (if other than as set out in the Conditions):	[Not Applicable] [Minimum Period: [●] Business Days] [Maximum Period: [●] Business Days]
21.	Investor Put:	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(a) Optional Redemption Date(s):	[●]
	(b) Optional Redemption Amount:	[[●] per Calculation Amount]
	(c) Notice period (if other than as set out in the Conditions):	Minimum Period: [●] Business Days Maximum Period: [●] Business Days
22.	Final Redemption Amount:	[[●] per Calculation Amount]
23.	Early Redemption Amount payable on redemption for taxation reasons or illegality of the Intercompany Loan Agreement or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition [7(f)]):	[[●] per Calculation Amount/[●]]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

24.	Tax gross-up by Issuer in accordance with Condition [8]:	[Applicable/Not applicable] [If not applicable: If any payments of principal and interest (if any) in respect of the Covered Bonds and Coupons by or on behalf of the Issuer are or become subject to any withholding or deduction, on account of any taxes, duties or other charges of whatever nature, imposed or levied by or on behalf of Australia or by any other authority having power to tax, the Issuer will not be obliged to pay any additional amount as a consequence. For the

		avoidance of doubt, any amounts to be paid on the Covered Bonds will be paid net of any FATCA Withholding, and no additional amounts will be required to be paid on account of any FATCA Withholding.]
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 Definitive Covered Bonds] [Permanent Bearer Global Covered Bond exchangeable for Definitive Covered Bonds [on 60 days' notice given at any time/only upon an Exchange Event] [Registered Covered Bonds: [Registered Covered Bonds[Restricted/Unrestricted] Global Certificate[s]] - [Euroclear/Clearstream] [Registered Global Covered Bond registered in the name of [a common depositary for Euroclear and Clearstream].] [Registered Global Covered Bond U.S.$[●] nominal amount registered in the name of the common depositary for [Euroclear and Clearstream]]
26.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	[[Not Applicable]/ [●]]
27.	Talons for future Coupons to be attached to Definitive Bearer Covered Bonds:	[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.]
28.	U.S. Selling Restrictions:	[Reg S Compliance Category [2]; TEFRA C/TEFRA D/TEFRA not applicable/[●]]

[**PURPOSE OF FINAL TERMS**

This Final Terms comprises the Final Terms required for issue [and admission to trading on [●]] of the Covered Bonds described herein pursuant to the A$6,000,000,000 Covered Bond Programme of Bendigo and Adelaide Bank Limited.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Final Terms. [The information contained in] [●] has been extracted from [the following 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 [●], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of **Bendigo and Adelaide Bank Limited:**

By:……

Duly authorised

Signed on behalf of **Perpetual Corporate Trust Limited**

in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust:

By:

……

Duly authorised

PART B — OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing and admission to trading:	Application for admission to the Official List and for admission to trading [has been/is expected to be] made to the London Stock Exchange's main market [Date from which admission effective [●]]
(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: [Fitch Australia Pty Ltd: [ ]] [Moody's Investors Service Pty Ltd: [ ]] 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 15 (*Meetings of Covered Bondholders, Modification, Waiver and Substitution*) of the Conditions, the Bond Trustee and the Security Trustee are required to concur in and effect any modifications required to any of the Transaction 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.

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

[Save for any fees payable to the Managers, 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 Managers 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 CB Guarantor and their affiliates.]

4. 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.

5. OPERATIONAL INFORMATION

(a)	ISIN:	[●]
(b)	Common Code:	[●]
(c)	CFI:	[[See/[ ], 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]
(d)	FISN:	[[See/[ ], 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] *(N.B. if the CFI and/or the FISN is not required, requested or available, it/they should be specified to be "Not Applicable")*
(e)	Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, S.A. and the relevant identification number(s):	[[Not Applicable]/[●]]
(f)	Delivery:	Delivery [against/free of] payment
(g)	Name(s) and address(es) of initial Paying Agent(s) in relation to the Covered Bonds:	[●]
(h)	Name(s) and address(es) of additional Paying Agent(s) (if any) in relation to the Covered Bonds:	[●]
(j)	Relevant Benchmark[s]:	[Not Applicable]/[[●] 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 EU Benchmarks Regulation.] [As at the date hereof, [●] appears in the Financial Conduct Authority'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]/[Financial Conduct Authority] pursuant to Article 36 of the [EU/UK] Benchmarks Regulation.]/[As far as the Issuer is aware, as at the date hereof, Article 2 of the [EU/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 [EU/UK] Benchmarks Regulation.]

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 Australian Domestic Covered Bonds.

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 OR REGULATION (EU) 2017/1129 (AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 FOR THE ISSUE OF COVERED BONDS DESCRIBED BELOW. THE FCA HAS NEITHER APPROVED NOR REVIEWED THE INFORMATION CONTAINED IN THIS PRICING SUPPLEMENT.

[Date]

Bendigo and Adelaide Bank Limited
(ABN 11 068 049 178)

Issuer Legal Entity Identifier (LEI): 549300Y9URD6W70K0360

Issue of [Aggregate Nominal Amount of Tranche or Series] [Title of Covered Bonds] under the A$6,000,000,000 Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments of interest and principal by Perpetual Corporate Trust Limited (ABN 99 000 341 533) as trustee of the Bendigo and Adelaide Bank Covered Bond Trust (the Trust)

The Covered Bonds described in this Pricing Supplement 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 of any state or other jurisdiction of the United States and may not be offered or sold in 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 (**Regulation S**) unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

In addition, the Covered Bonds described in this Pricing Supplement are Covered Bonds for which no prospectus is required to be published under the UK Prospectus Regulation.

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 (**EU**) 2016/97 (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) 2017/1129 (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 or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA42. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[MIFID II PRODUCT GOVERNANCE / 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 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 / 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]

[**NO RETAIL PRODUCT DISTRIBUTION CONDUCT** – This document and the Covered Bonds are not for distribution to any person in Australia who is a retail client for the purposes of section 761G of the Corporations Act. No target market determination has been or will be made for the purposes of Part 7.8A of the Corporations Act.]

[Notification pursuant to Section 309B of the Securities and Futures Act 2001 of Singapore – The Covered Bonds are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore).]]

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 2023 [and the supplement to the Prospectus dated [●]] ([together,] the **Prospectus**). This document constitutes the Pricing Supplement of the Covered Bonds described herein (**Covered Bonds**) and must be read in conjunction with the Prospectus [as so supplemented]. Full information on the Issuer and the CB Guarantor and the offer of the Covered Bonds is only available on the basis of the combination of this Pricing Supplement and the Prospectus [as so supplemented]. Copies of the Prospectus [and supplement to the Prospectus[es]] are available from the Issuer, in electronic form, on request.

1.	Issuer:	Bendigo and Adelaide Bank Limited
2.	CB Guarantor:	Perpetual Corporate Trust Limited
3.	(a) Series of which Covered Bonds are to be treated as forming part:	[●]
	(b) Tranche Number:	[●]

[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 regulated entity.

[4] 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 UK MiFIR regulated entity.

		[*If fungible with an existing Series, details of that Series, including the date on which the Covered Bonds become fungible*]
	(c) 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:	
	(a) Series:	[●]
	(b) Tranche:	[●]
6.	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]].
7.	(a) 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]. (*Covered Bonds (including Covered Bonds denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom, or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum denomination of £100,000 (or its equivalent in other Specified Currencies*).) (*In the case of Covered Bonds offered in Australia, the minimum subscription amount in respect of an issue or transfer is A$500,000 (disregarding any amount lent by the offeror, the Issuer or any associated person of the offeror or Issuer) (or, if the Covered Bonds are denominated in a currency other than Australian Dollars, at least the equivalent amount in such currency)*.)
	(b) Calculation Amount:	[●] *(If there is only one Specified Denomination, insert the Specified Denomination.* *If there is more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations*.) (*Calculation Amount not required for interest calculations in the case of: (a) Fixed Rate Covered Bonds which are represented by a Global Covered Bond; or (b) Fixed Rate Covered Bonds which are Australian Domestic Covered Bonds. See Condition 4(a)*)

8.	(a) Issue Date:	[●]
	(b) 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:	[●]
11.	Interest Basis:	For the period from (and including) the Issue Date to (but excluding) the Final Maturity Date: [Fixed Rate] [*Specify Reference Rate* + / - [ ] per cent Floating Rate] If payment of the Guaranteed Amount corresponding to the Final Redemption Amount is deferred in whole or in part, for the period from (and including) the Final Maturity Date to (but excluding) the Extended Due for Payment Date: [Fixed Rate] [*Specify Reference Rate* + / - [ ] per cent Floating Rate] (see paragraphs 17 and 18 below)
12.	Redemption/Payment Basis:	[99]/[100]/[101] per cent. of the nominal amounts
13.	Change of Interest Basis or Redemption/Payment Basis:	[Applicable – the Interest Basis will change from [●] to [●] in accordance with paragraph [19]/[20] below on the Final Maturity Date]/[Not Applicable]
14.	Put/Call Options:	[Not Applicable] [Investor Put] [Issuer Call] [(see paragraphs 20 and 21 below)]
15.	Status of the Covered Bonds:	Senior
16.	Status of the Covered Bond Guarantee:	Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.	Fixed Rate Covered Bond Provisions:	[Applicable from the Interest Commencement Date to the Final Maturity Date]/[Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(a) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/[●]] in arrear on each Interest Payment Date

	(b) Interest Payment Date(s):	[●] in each year up to and including the Final Maturity Date, subject to adjustment in accordance with the Business Day Convention set out below *(Amend appropriately in the case of irregular coupons)*
	(c) Fixed Coupon Amount(s): *(Applicable to Covered Bonds in definitive form.)*	[●]] per Calculation Amount/Not Applicable]
	(d) Broken Amount(s): *(Applicable to Covered Bonds in definitive form.)*	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/[Not Applicable]
	(e) Day Count Fraction:	[30/360 or Actual/Actual (ICMA) or RBA Bond Basis/Australian Bond Basis / *specify othe*r]
	(f) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention / *specify othe*r]
	• Adjusted:	[Applicable/Not Applicable]
	• Non-Adjusted:	[Applicable/Not Applicable]
	(g) Additional Business Centre(s):	[●]
	(h) Determination Date(s):	[●] in each year/ [Not Applicable]
	(i) Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds which are Exempt Covered Bonds:	[None/*Give details*]
18.	Floating Rate Covered Bond Provisions:	[Applicable from the Interest Commencement Date to the Final Maturity Date]/[Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(a) Specified Period(s)/Specified Interest Payment Dates:	The period from, and including, each Specified Interest Payment Date to, but excluding, the following Specified Interest Payment Date provided that the first Specified Period shall be from, and including, the Interest Commencement Date to, but excluding, the next Specified Interest Payment Date. [●] from, but excluding, the Interest Commencement Date to, and including, the earlier of (i) the date on which the Final Redemption Amount is paid in full; and (ii) the Final Maturity Date;
	(b) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention / *specify other*]
	(c) Additional Business Centre(s):	[●]
	(d) 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 - SARON] [BBSW Rate Determination] [AONIA Rate Determination] [ISDA Determination] [*specify other*]
(e)	Party responsible for determining the Rate of Interest and/or calculating the Interest Amount (if not the Principal Paying Agent):	[●] (the **Calculation Agent**)/[Not Applicable]
(f)	Screen Rate Determination (other than BBSW Rate or AONIA Rate):	[Applicable – Term Rate/Applicable – SONIA/Applicable – SOFR/Applicable – SARON/Not Applicable]
	• Reference Rate:	[[ ] month] [EURIBOR] [SONIA/SONIA Index] [SOFR/SOFR Index] [Compounded Daily SARON]
	• Representative Amount:	[●]
	• Interest Determination Date(s):	[●]/[Second day on which T2 is open prior to the start of each Interest Period (if EURIBOR)]/[The day falling the number of London Banking Days included in the below SONIA Observation Look-Back Period prior to the day on which the relevant Interest Period ends (but which by its definition is excluded from the Interest Period)/The day falling the number of U.S. Government Securities Business Days included in the below SOFR Observation Shift Period prior to the day on which the relevant Interest Period ends (but which by its definition is excluded from the Interest Period)] (*Unless otherwise agreed with the Calculation Agent, the Interest Determination Date for Covered Bonds cleared through Euroclear/Clearstream, Luxembourg must be at least 5 London Business Days prior to the Interest Payment Date*)
	• [Reference Banks:]	[●] (*N.B. Delete this paragraph if Reference Rate is SOFR or SOFR Index*)
	• [Relevant Screen Page]	[●] [*specify other*]

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

- Relevant Financial Centre: [●]
- SONIA Averaging Method: [Compounded Daily/Compounded Index/Weighted Average/Not Applicable]
- SONIA Observation Method: [Not Applicable/Lag/Lock-out/Shift]

  (Only include for Floating Rate Covered Bonds for which the Reference Rate is specified as being "SONIA" and SONIA Averaging Method is specified as being "Compounded Daily")
- SONIA Observation Look-Back Period: [5/[●] [London Banking Day[s]]/[Not Applicable]

  (N.B. When setting the SONIA Observation Look-Back Period, the practicalities of this period should be discussed with the Calculation Agent. It is anticipated that '(p)' will be no fewer than 5 London Banking Days unless otherwise agreed with the Calculation Agent.)

  (Only include for Floating Rate Covered Bonds for which the Reference Rate is specified as being "SONIA" and SONIA Averaging Method is specified as being "Compounded Daily")
- SOFR Averaging Method: [Compounded Daily/Compounded Index/Weighted Average/Not Applicable]
- SOFR Observation Method: [Not Applicable/Lag/Lock-out/Payment Delay/Shift]
- SOFR Observation Look-Back Period: [5/[●] [U.S. Government Securities Business Day[s]]/[Not Applicable]
- SOFR Cut-off Date: [●]/[Not Applicable]
- *p*: [●]/[Not Applicable]
- Index Determination: [Applicable/Not Applicable]

  (*N.B. Only include for Floating Rate Covered Bonds for which the Reference Rate is specified as being "SONIA Index" or "SOFR Index"*)
- Relevant Time: [●][a.m./p.m.] [*specify city*]

(g) BBSW Rate Determination: [Applicable/Not Applicable]

(h) AONIA Rate Determination: [Applicable/Not Applicable]

(i) ISDA Determination: [Applicable/Not Applicable]

- ISDA Definitions: 2021 ISDA Definitions
- Floating Rate Option: [●]

- Designated Maturity: [●]
- Reset Date: [●]
- Compounding: [Applicable/Not Applicable]
- Overnight Rate Compounding Method: [Compounding with Lookback

  Lookback: [[●] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

  [Compounding with Observation Period Shift

  Observation Period Shift: [[•] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

  Observation Period Shift Additional Business Days: [•]/[Not Applicable]]

  [Compounding with Lockout

  Lockout: [[●] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

  Lockout Period Business Days: [●]/[Applicable Business Days]]

  (N.B. When setting the applicable number of days with reference to the items above (if applicable), the practicalities of such period should be discussed with the Calculation Agent. It is anticipated that the relevant number will be no fewer than 5 such days unless otherwise agreed with the Calculation Agent, as applicable/required.)
- Averaging: [Applicable/Not Applicable]
- Averaging Method: [Averaging with Lookback

  Lookback: [[[●] Applicable Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]]

  [Averaging with Observation Period Shift

  Observation Period Shift: [[[●] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)]

  Observation Period Shift Additional Business Days: [[•]/[Not Applicable]]

	[Averaging with Lockout Lockout: [[[●] Lockout Period Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)] Lockout Period Business Days: [●]/[Applicable Business Days]
• Index Provisions:	[Applicable/Not Applicable]
• Index Method:	Compounded Index Method with Observation Period Shift Observation Period Shift: [[●] Observation Period Shift Business Days]/[As specified in the Compounding/Averaging Matrix (as defined in the 2021 ISDA Definitions)] Observation Period Shift Additional Business Days: [•]/[Not Applicable] *(N.B. When setting the applicable number of days with reference to the items above (if applicable), the practicalities of such period should be discussed with the Calculation Agent. It is anticipated that the relevant number will be no fewer than 5 such days unless otherwise agreed with the Calculation Agent, as applicable/required.)*
(j) Linear Interpolation:	[Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
(k) Margin(s):	[+/-] [●] per cent. per annum
(l) Minimum Rate of Interest:	[●] per cent. per annum
(m) Maximum Rate of Interest:	[●] per cent. per annum
(n) Day Count Fraction:	[Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
(o) Interest Amounts Non-Adjusted:	[Applicable/Not Applicable] [*specify*]
(p) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if	[Applicable/Not Applicable] [*specify*]

different from those set out in the Conditions:

PROVISIONS RELATING TO REDEMPTION

19.	Notice periods for Condition [7(b)] (Redemption for tax reasons) or Condition [7(e)] (Redemption due to illegality):	Minimum Period: [30] days Maximum Period: [60] days
20.	Issuer Call:	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(a) Optional Redemption Date(s):	[●]
	(b) Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount] [*specify other*]
	(c) If redeemable in part:	[Applicable/Not Applicable]
	(i) Minimum Redemption Amount:	[●]
	(ii) Maximum Redemption Amount:	[●]
	(d) Notice period (if other than as set out in the Conditions):	[Not Applicable] [Minimum Period: [●] Business Days] [Maximum Period: [●] Business Days]
21.	Investor Put:	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(a) Optional Redemption Date(s):	[●]
	(b) Optional Redemption Amount:	[[●] per Calculation Amount]
	(c) Notice period (if other than as set out in the Conditions):	Minimum Period: [●] Business Days Maximum Period: [●] Business Days
22.	Final Redemption Amount:	[[●] per Calculation Amount] [*specify other*]
23.	Early Redemption Amount payable on redemption for taxation reasons or illegality of the Intercompany Loan Agreement or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition [7(f)]):	[[●] per Calculation Amount/[●]] [*specify other*]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

24.	Tax gross-up by Issuer in accordance with Condition [8]:	[Applicable/Not applicable] [If not applicable:

		If any payments of principal and interest (if any) in respect of the Covered Bonds and Coupons by or on behalf of the Issuer are or become subject to any withholding or deduction, on account of any taxes, duties or other charges of whatever nature, imposed or levied by or on behalf of Australia or by any other authority having power to tax, the Issuer will not be obliged to pay any additional amount as a consequence. For the avoidance of doubt, any amounts to be paid on the Covered Bonds will be paid net of any FATCA Withholding, and no additional amounts will be required to be paid on account of any FATCA Withholding.]
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 Definitive Covered Bonds] [Permanent Bearer Global Covered Bond exchangeable for Definitive Covered Bonds [on 60 days' notice given at any time/only upon an Exchange Event] [Registered Covered Bonds: [Registered Covered Bonds[Restricted/Unrestricted] Global Certificate[s]] - [Euroclear/Clearstream] [Registered Global Covered Bond registered in the name of [a common depositary for Euroclear and Clearstream].] [Registered Global Covered Bond U.S.$[●] nominal amount registered in the name of the common depositary for [Euroclear and Clearstream]] *(Ensure that this is consistent with the wording in the "Form of the Covered Bonds" section in the Prospectus and the Covered Bonds themselves. NB: The exchange event upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Covered Bonds in paragraph 7 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." 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 Global Covered Bond exchangeable for a Definitive Covered Bond.)* [Australian Domestic Covered Bonds registered in the name of Austraclear in the Austraclear System.]
26.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	[[Not Applicable]/ [●]]

27.	Talons for future Coupons to be attached to Definitive Bearer Covered Bonds:	[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.]
28.	U.S. Selling Restrictions:	[Reg S Compliance Category [2]; TEFRA C/TEFRA D/TEFRA not applicable/[●]]

[**PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the Pricing Supplement required for issue [and admission to trading on [●]] of the Covered Bonds described herein pursuant to the A$6,000,000,000 Covered Bond Programme of Bendigo and Adelaide Bank Limited.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [The information contained in] [●] has been extracted from [the following 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 [●], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of **Bendigo and Adelaide Bank Limited:**

By:……

Duly authorised

Signed on behalf of **Perpetual Corporate Trust Limited**

in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust:

By:

……

Duly authorised

PART B — OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing and admission to trading:	[Application [has been/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*]/[Not Applicable] [Date from which admission effective [●]]
(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: [Fitch Australia Pty Ltd: [ ]] [Moody's Investors Service Pty Ltd: [ ]] 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 15 (*Meetings of Covered Bondholders, Modification, Waiver and Substitution*) of the Conditions, the Bond Trustee and the Security Trustee are required to concur in and effect any modifications required to any of the Transaction 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.

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

[Save for any fees payable to the Managers, 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 Managers 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 CB Guarantor and their affiliates.]

4. 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.

5. OPERATIONAL INFORMATION

(a)	ISIN:	[●]
(b)	Common Code:	[●]
(c)	CFI:	[[See/[ ], 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]
(d)	FISN:	[[See/[ ], 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] *(N.B. if the CFI and/or the FISN is not required, requested or available, it/they should be specified to be "Not Applicable")*
(e)	Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, S.A. and the relevant identification number(s):	[[Not Applicable]/[●]]
(f)	Delivery:	Delivery [against/free of] payment
(g)	Name(s) and address(es) of initial Paying Agent(s) in relation to the Covered Bonds:	[●]
(h)	Name(s) and address(es) of additional Paying Agent(s) (if any) in relation to the Covered Bonds:	[●]
(i)	Name and address of Calculation Agent in relation to Australian Domestic Covered Bonds if other than the Issuer:	[●]
(j)	Relevant Benchmark[s]:	[Not Applicable]/[[●] 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 EU Benchmarks Regulation.] [As at the date hereof, [●] appears in the Financial Conduct Authority'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]/[Financial Conduct Authority] pursuant to Article 36 of the [EU/UK] Benchmarks Regulation.]/[As far as the Issuer is aware, as at the date hereof, Article 2 of the [EU/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 [EU/UK] Benchmarks Regulation.]

TERMS AND CONDITIONS OF THE COVERED BONDS

The following are the terms and conditions (the **Conditions**) of the Covered Bonds which (as completed by the applicable Final Terms in relation to a Tranche of Covered Bonds or, in relation to an Exempt Covered Bond (as defined below), the applicable Pricing Supplement) will apply to each Australian Domestic Covered Bond or Global Covered Bond and, if applicable, each Definitive Covered Bond, in the latter case only 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 and the applicable Final Terms or Pricing Supplement. The applicable Final Terms or Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Covered Bond or Definitive Covered Bond. References to the applicable Final Terms are to the Final Terms or Pricing Supplement which is applicable to the Covered Bond or which is attached to, or endorsed on such Covered Bond. The Conditions and applicable Final Terms or Pricing Supplement to Australian Domestic Covered Bonds are not endorsed on or evidenced by any physical covered bond or document of title and are not recorded in the register of the holders of Australian Domestic Covered Bonds maintained by the Australian Agent and Registrar in accordance with the Australian Agency Agreement (the **Australian Register**).

Each Covered Bond is one of a Series (as defined below) of Covered Bonds issued by Bendigo and Adelaide Bank Limited (**BEN** or the **Issuer**) constituted by an amended and restated 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 5 June 2023, made between, amongst others, the Issuer, Perpetual Corporate Trust Limited (ABN 99 000 341 533) as covered bond guarantor (the **CB Guarantor**), AB Management Pty Ltd (ABN 75 070 500 855) 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 as Bond Trustee).

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions will bear the meanings given to them in the Bond Trust Deed, the Pricing Supplement and/or the amended and restated common terms deed (such common terms deed as modified and/or supplemented and/or restated from time to time, the **Common Terms Deed**) dated on or about 5 June 2023, made between the parties to the Transaction Documents, a copy of each of which may be obtained as described below. In the event of inconsistency between the Bond Trust Deed and the Common Terms Deed, the Bond Trust Deed will prevail and in the event of inconsistency between the Bond Trust Deed and the applicable Final Terms or Pricing Supplement, the applicable Final Terms or Pricing Supplement will prevail.

Save as provided for in Conditions 9 and 14, references herein to the **Covered Bonds** will be references to the Covered Bonds of this Series and will mean:

(a) in relation to any Covered Bonds represented by a global covered bond (a **Global Covered Bond**), 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**) issued in exchange for a Global Covered Bond in bearer form;

(d) any Definitive Covered Bonds in registered form (**Registered Definitive Covered Bonds**) (whether or not issued in exchange for a Global Covered Bond in registered form); and

(e) any Australian Domestic Covered Bonds.

The Covered Bonds (other than the Australian Domestic Covered Bonds) and the Coupons (as defined below) have the benefit of an offshore agency agreement (such offshore agency agreement as amended and/or supplemented and/or restated from time to time, the **Offshore Agency Agreement**) dated the Programme Date and made between the Issuer, the CB Guarantor, the Trust Manager, the Bond Trustee and Deutsche Bank AG, Hong Kong Branch, as issuing and principal paying agent (in such capacity, the **Principal Paying Agent**, which expression will include any successor Principal Paying Agent) and the other paying agents appointed pursuant to the Offshore Agency Agreement (together with the Principal Paying Agent, the **Paying Agents**, which expression will include any additional or successor paying agents), Deutsche Bank AG, Hong Kong Branch as registrar (in such capacity, the **Offshore Registrar**, which expression will include any successor offshore registrar) and Deutsche Bank AG, Hong Kong Branch as

transfer agent (in such capacity, a **Transfer Agent** and together with the Offshore Registrar, the **Transfer Agents**, which expression will include any additional or successor transfer agents). The applicable Final Terms or Pricing Supplement may specify any other agency agreement that applies to Covered Bonds and Coupons issued by the Issuer.

References herein to **Exempt Covered Bonds** are to Covered Bonds which are neither admitted to trading on a regulated market in the European Economic Area (**EEA**) or the United Kingdom (**UK**) nor offered in the EEA or the UK in circumstances where a prospectus is required to be published under Regulation (EU) 2017/1129, Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 or the Financial Services and Markets Act 2000.

Australian Domestic Covered Bonds also have the benefit of an Australian agency agreement (such agreement as amended and/or supplemented and/or restated from time to time, the **Australian Agency Agreement** and, together with the Offshore Agency Agreement, the **Agency Agreements**) dated on or about the Programme Date and made between BEN as Issuer, the CB Guarantor, the Bond Trustee and Austraclear Services Limited as Australian registrar and issuing and paying agent (in such capacity, the **Australian Agent**). If a calculation agent is required for the purpose of calculating any amount or making any determination under any Australian Domestic Covered Bonds, such appointment will be notified in the applicable Final Terms or Pricing Supplement (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 CB 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 Australian Domestic 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 herein, **Agents** will mean each Paying Agent, each Transfer Agent, each Offshore Registrar and the Australian Agent, **Principal Paying Agent** will mean, in relation to a Tranche or Series of Covered Bonds (other than the Australian Domestic Covered Bonds), the Principal Paying Agent or such other paying agent as the applicable Final Terms or Pricing Supplement for that Tranche or Series may specify, **Offshore Registrar** will mean, in relation to a Tranche or Series of Covered Bonds (other than Australian Domestic Covered Bonds), the Offshore Registrar or such other registrar as the applicable Final Terms or Pricing Supplement for that Tranche or Series may specify, **Australian Agent** will mean, in relation to a Tranche or Series of Australian Domestic Covered Bonds, the Australian Agent or such other Australian Agent as the applicable Final Terms or Pricing Supplement for that Tranche or Series may specify, **Transfer Agent** will mean, in relation to a Tranche or Series of Covered Bonds, the Transfer Agent or such other transfer agent as the applicable Final Terms or Pricing Supplement for that Tranche or Series may specify and **Calculation Agent** will mean, in relation to a Tranche or Series of Australian Domestic Covered Bonds, the Calculation Agent as the applicable Final Terms or Pricing Supplement for that Tranche or Series may specify.

Interest-bearing Bearer Definitive Covered Bonds have (unless otherwise indicated in the applicable Final Terms or Pricing Supplement) interest coupons (**Coupons**) and, if indicated in the applicable Final Terms or Pricing Supplement, talons for further Coupons (**Talons**) attached on issue. Any reference herein 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), Global Covered Bonds and Australian Domestic 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), the holders of the Coupons (the **Couponholders**, which expression will, unless the context otherwise requires, include 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 herein, **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 and/or Issue Prices.

The CB 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 CB 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 CBG Event of Default and service by the Bond Trustee of a CBG Acceleration Notice on the CB Guarantor.

The security for the obligations of the CB Guarantor under the Covered Bond Guarantee and the other Transaction Documents to which it is a party has been created in and pursuant to, and on the terms set out in, a security trust deed governed by the law applying in the State of New South Wales, Australia (such security trust deed as amended and/or supplemented and/or restated from time to time, the **Security Trust Deed**) dated on or about 11 October 2022 and made between the CB 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 Trust Deed and the Agency Agreements (as applicable).

Upon prior written request of a Covered Bondholder and proof of holding and identity satisfactory to the Bond Trustee, copies of the Bond Trust Deed, the Security Trust Deed, the Common Terms Deed, the Agency Agreements and each of the other Transaction Documents are (i) available free of charge during normal business hours (being 10.00 am to 3:00 pm Monday to Friday (except public holidays)) at the registered office for the time being of the Bond Trustee being at the Programme Date at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong and at the specified office of the Principal Paying Agent, the Registrar and the Transfer Agent; or (ii) available to the Covered Bondholder via email from the Bond Trustee.

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 Trust Deed, the Common Terms Deed, the relevant Agency Agreements, each of the other Transaction Documents and the applicable Final Terms or Pricing Supplement which are applicable to them and to have notice of the applicable Final Terms or Pricing Supplement relating to each other Series.

1. Form, Denomination and Title

The Covered Bonds are in bearer form or in registered form as specified in the applicable Final Terms or Pricing Supplement 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 Australian Domestic Covered Bonds and vice versa.

This Covered Bond may be a Fixed Rate Covered Bond or a Floating Rate Covered Bond, depending upon the Interest Basis shown in the applicable Final Terms or Pricing Supplement, 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. Subject as set out below, title to the Bearer Covered Bonds and Coupons will pass by delivery, title to the Registered Covered Bonds will pass upon registration of transfers in accordance with the provisions of the Offshore Agency Agreement and title to the Australian Domestic Covered Bonds will pass upon registration of transfers in accordance with these Conditions.

The Issuer, the CB Guarantor, each of the Agents and the Bond Trustee 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 Australian

Domestic 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 is represented by a Global Covered Bond held on behalf of, or, as the case may be, registered in the name of a common depositary for Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A. (**Clearstream**) each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or Clearstream as the holder of a particular nominal amount of such Covered Bonds (in which regard any certificate or other document issued by Euroclear or Clearstream 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 CB 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 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 Euroclear and Clearstream, as the case may be.

For so long as any of the Australian Domestic 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) who is for the time being shown in the records of Austraclear as the holder of such Australian Domestic Covered Bonds (in which regard any certificate or other document issued by the Austraclear System or the Australian Agent as to such Australian Domestic 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 Australian Agent in accordance with its usual procedures and in which the holder of the Australian Domestic 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 CB Guarantor and the Bond Trustee as the holder of such Australian Domestic 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 Australian Domestic Covered Bonds and the expression **Covered Bondholder** and related expressions will be construed accordingly. For so long as any of the Australian Domestic Covered Bonds are lodged in the Austraclear System, beneficial interests in Australian Domestic Covered Bonds will be transferable only in accordance with the Austraclear Regulations. Where Austraclear is recorded in the Australian Register as the holder of an Australian Domestic Covered Bond, each person in whose Security Record (as defined in the Austraclear Regulations) an Australian Domestic Covered Bond is recorded is deemed to acknowledge in favour of the Australian Agent, the Issuer and Austraclear that:

(a) the Australian Agent's decision to act as the registrar of that Australian Domestic Covered Bond is not a recommendation or endorsement by the Australian Agent or Austraclear in relation to that Australian Domestic Covered Bond, but only indicates that the Australian Agent considers that the holding of the Australian Domestic Covered Bonds is compatible with the performance by it of its obligations as Australian Agent under the Australian Agency Agreement; and

(b) the holder of the Australian Domestic Covered Bond does not rely on any fact, matter or circumstance contrary to paragraph (a) above.

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 the Austraclear System, Euroclear and/or Clearstream will, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or Pricing Supplement or as may otherwise be approved by the Issuer, the Principal Paying Agent (other than in respect of any Australian Domestic Covered Bonds) and the Bond Trustee.

2. Transfers of Registered Covered Bonds and Australian Domestic Covered Bonds

(a) Transfers of interests in Registered Global Covered Bonds

Transfers of beneficial interests in Registered Covered Bonds in global form (the **Registered Global Covered Bonds**) will be effected by Euroclear or Clearstream, 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. 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 or Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, as the case may be, and in accordance with the terms and conditions specified in the Offshore Agency Agreement.

(b) Transfers of Registered Covered Bonds in definitive form

Subject as provided in Condition 2(f) below, upon the terms and subject to the conditions set forth in the Offshore Agency Agreement, a Registered Covered Bond in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms or Pricing Supplement). 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 Offshore 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 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, a new Registered Covered Bond in definitive form of a like aggregate nominal amount to the Registered Covered Bond (or the relevant part of the Registered Covered Bond) transferred. In the case of the transfer of part only of a Registered Covered Bond in definitive form, a new Registered Covered Bond in definitive form in respect of the balance of the Registered 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 by the transferor.

(c) Transfers of Australian Domestic Covered Bonds

Title to the Australian Domestic Covered Bonds passes when details of the transfer are entered in the Australian Register. The Australian Register will be closed for the purpose of determining entitlements to payments of interest and principal at 5.00pm in the place where the Australian 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 or Pricing Supplement for that purpose (the **Australian Record Date**).

Australian Domestic Covered Bonds may be transferred in whole but not in part. Application for the transfer of Australian Domestic 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 Australian Agent at its specified office. Each transfer form must be duly completed, accompanied by any

evidence the Australian Agent 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 Covered Bonds it holds and the transfer form does not identify the specific Covered Bonds transferred, the Australian Agent may choose which Covered Bonds registered in the name of the Covered Bondholder have been transferred. However, the Principal Amount Outstanding of the Covered Bonds registered as transferred must equal the Principal Amount Outstanding of the Covered Bonds expressed to be transferred in the transfer form.

For so long as any of the Australian Domestic Covered Bonds are lodged in the Austraclear System, beneficial interests in Australian Domestic Covered Bonds will be transferable only in accordance with the Austraclear Regulations.

(d) Registration of transfer upon partial redemption

In the event of a partial redemption of Covered Bonds under Condition 7, the Issuer will not be required to register the transfer of any Registered Covered Bond or Australian Domestic Covered Bond, or part of a Registered Covered Bond or an Australian Domestic Covered Bond, called for partial redemption.

(e) 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 Australian Agent, 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.

(f) 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.

(g) Definitions

In the Conditions, the following expressions will have the following meanings:

Accrual Period means the number of days in the 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.

Additional Business Centre(s) means the city or cities specified as such in the applicable Final Terms or Pricing Supplement.

ADI means authorised deposit taking institution.

Adjustment Spread means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is replaced with the Successor Rate or the Alternative Rate (as the case may be).

Alternative Rate means an alternative benchmark or screen rate which the Issuer determines in accordance with this Condition 5 is to be used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of

interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Covered Bonds;

APRA means the Australian Prudential Regulation Authority.

Australian Banking Act means the Banking Act 1959 of Australia.

Australian Domestic Covered Bonds means a Covered Bond denominated in Australian Dollars, governed by Australian law and issued in uncertificated registered form under the Australian Covered Bond Deed Poll and in accordance with the Bond Trust Deed.

Benchmark Event means the earlier to occur of:

(a) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;

(b) the later of (A) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (B) the date falling six months prior to such specified date;

(c) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;

(d) the later of (A) the making of a public statement by or on behalf of the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, by a specified date, be permanently or indefinitely discontinued and (B) the date falling six months prior to such specified date;

(e) the later of (A) the making of a public statement by or on behalf of the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case by a specified date and (B) the date falling six months prior to that specified date;

(f) it has or will prior to the next Interest Determination Date become unlawful for the Calculation Agent, any Paying Agent, (if specified in the applicable Final Terms or Pricing Supplement) such other party responsible for the calculation of the Interest Rate as specified in the applicable Final Terms or Pricing Supplement, or the Issuer to determine any Interest Rate and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under (i) Regulation (EU) No. 2016/1011 and/or (ii) Regulation (EU) No. 2016/1011 as it forms part of UK domestic law by virtue of the EUWA, if applicable);

(g) the making of a public statement by or on behalf of the supervisor of the administrator of the Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used; and

(h) the later of (A) the making of a public statement by or on behalf of the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will no longer be representative or may no longer be used, in each case by a specified date and (B) the date falling six months prior to that specified date.

Broken Amount means the broken amount so specified in the applicable Final Terms or Pricing Supplement.

Business Day means a day which is:

(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) in Adelaide, Melbourne and Sydney and, if the Covered Bonds are not Australian Domestic Covered Bonds, in London, Hong Kong and any Additional Business Centre specified in the applicable Final Terms or Pricing Supplement; and

(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 London, Hong Kong and any Additional Business Centre) and which if the Specified Currency is Australian Dollars will be Sydney or (2) in relation to any Covered Bonds denominated or 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.

Calculation Amount means the calculation amount so specified in the applicable Final Terms or Pricing Supplement.

Calculation Period means a Fixed Interest Period or an Accrual Period.

CBG Acceleration Notice has the meaning given in Condition 10(b).

CBG Event of Default has the meaning given in Condition 10(b).

Coupon means an interest coupon appertaining to a Bearer Definitive Covered Bond, such coupon being:

(a) if appertaining to a Fixed Rate Covered Bond, substantially in the form set out in Part 5A of schedule 2 to the Bond Trust Deed or in such other form, having regard to the terms of issue of the Covered Bonds of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s); or

(b) if appertaining to a Floating Rate Covered Bond, substantially in the form set out in Part 5B of schedule 2 to the Bond Trust Deed or in such other form, having regard to the terms of issue of the Covered Bonds of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s); or

(c) if appertaining to a Bearer Definitive Covered Bond which is neither a Fixed Rate Covered Bond nor a Floating Rate Covered Bond, in such form as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s);

Day Count Fraction means, in respect of the calculation of an amount of interest for any Interest Period:

(a) if **Actual/Actual** or **Actual/Actual (ISDA)** is specified in the applicable Final Terms or Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of 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);

(b) if **Actual/365 (Fixed**) is specified in the applicable Final Terms or Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(c) if **Actual/365 (Sterling**) is specified in the applicable Final Terms or Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(d) if **Actual/360** is specified in the applicable Final Terms or Pricing Supplement, the actual number of days in the Interest Period divided by 360;

(e) if **30/360**, **360/360** or **Bond Basis** is specified in the applicable Final Terms or Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

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;

(f) if **30E/360** or **Eurobond Basis** is specified in the applicable Final Terms or Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

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;

"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; and

(g) if **30E/360 (ISDA)** is specified in the applicable Final Terms or Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

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 (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30;

"D2" is the calendar day, expressed as a number, immediately following the last day of the Interest Period, unless (i) that day is the last day of February but not the due date for redemption or (ii) such number would be 31, in which case D2 will be 30.

Designated Account means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, will be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register.

Designated Bank means (in the case of payment in a Specified Currency other than Euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian Dollars will be Sydney) and (in the case of a payment in Euro) any bank which processes payments in Euro

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

Determination Period means each period from (and including) a Determination Date 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).

Early Redemption Amount means, in respect of the provisions of the Bond Trust Deed as described in Conditions 10(a) and 10(b), the amount specified in the applicable Final Terms or Pricing Supplement.

EURIBOR means the Euro Interbank Offered Rate.

Extended Due for Payment Date means, in relation to any Series of Covered Bonds, the date specified as such in the applicable Final Terms or Pricing Supplement 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 dates specified in Condition 7(a).

Extension Determination Date means, in respect of a Series of Covered Bonds to which Condition 7(a) applies, the date falling two Business Days after the expiry of 14 days starting on (and including) the Final Maturity Date of such Series of Covered Bonds.

FATCA means:

(a) sections 1471 to 1474 of the United States Internal Revenue Code of 1986, as amended, including any regulations or official interpretations issued;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

Final Redemption Amount means means, in respect of any Covered Bond, its Principal Amount Outstanding or such other amount as may be specified in the applicable Final Terms or Pricing Supplement.

Financial Claims Scheme means Division 2AA of Part II of the Australian Banking Act.

Fixed Coupon Amount means the fixed coupon amount specified in the applicable Final Terms or Pricing Supplement.

Fixed Interest Period means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Guarantee Priority of Payments means the guarantee priority of payments relating to the allocation and distribution of the Available Income Amount and the Available Principal Amount following service of a Notice to Pay on the CB Guarantor, but prior to service of a CBG Acceleration Notice on the CB Guarantor.

Independent Adviser means an independent financial institution of international repute or other independent financial adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense.

Interest Commencement Date means the date specified as such in the applicable Final Terms or Pricing Supplement.

Interest Amount means the amount of interest payable on the Floating Rate Covered Bonds.

Interest Determination Date means the date specified as such in the applicable Final Terms or Pricing Supplement.

Interest Payment Date means each date so specified in, or determined in accordance with, the applicable Final Terms or Pricing Supplement.

Interest Period means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date provided always that the first Accrual Period shall commence on (and include) the Interest Commencement Date and the final Accrual Period shall end on (but exclude) the date of redemption of the Covered Bonds.

Interest Period End Date means the date or dates specified as such in, or determined in accordance with, the applicable Final Terms or Pricing Supplement.

ISDA Definitions means the 2021 ISDA Interest Rate Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds.

Issue Date has the meaning given in the applicable Final Terms or Pricing Supplement.

Issuer Acceleration Notice has the meaning given in Condition 10(a).

Issuer Event of Default has the meaning given in Condition 10(a).

Long Maturity Covered Bond means 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 Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the Principal Amount Outstanding of such Covered Bond.

Margin has the meaning given in the applicable Final Terms or Pricing Supplement.

Maturity Date means the date specified as such in, or determined in accordance with, the provisions of the applicable Final Terms or Pricing Supplement and, if a Business Day Convention is specified therein, as the same may be adjusted in accordance with the relevant Business Day Convention.

Maximum Rate of Interest has the meaning given in the applicable Final Terms or Pricing Supplement.

Maximum Redemption Amount has the meaning given in the applicable Final Terms or Pricing Supplement.

Minimum Rate of Interest has the meaning given in the applicable Final Terms or Pricing Supplement.

Minimum Redemption Amount has the meaning given in the applicable Final Terms or Pricing Supplement.

Optional Redemption Amount has the meaning given in the applicable Final Terms or Pricing Supplement.

Original Due for Payment Date means, in respect of the payment of Guaranteed Amounts, prior to the occurrence of a CBG Event of Default and following the delivery of a Notice to Pay on the CB Guarantor, the date on which the Scheduled Payment Date in respect of such Guaranteed Amounts occurs or, if later, the day which is two Business Days following the date of service of a Notice to Pay on the CB Guarantor in respect of such Guaranteed Amounts and the Scheduled Payment Date falling on the Final Maturity Date of such Series of Covered Bonds as if such date had been the Extended Due for Payment Date.

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified in the applicable Final Terms or Pricing Supplement for the purposes of determining the relevant Interest Rate (or any component part thereof) in respect of the Covered Bonds (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

Potential CBG 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 CBG 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.

Principal Amount Outstanding means in respect of a Covered Bond on any day the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant Covered Bondholder in respect thereof on or prior to that day.

Put Notice means a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent and given by a holder of any Covered Bond in accordance with Condition 7(d).

Rate of Interest means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Covered Bonds specified in the applicable Final Terms or Pricing Supplement or calculated or determined in accordance with the provisions of these Terms and Conditions and/or the applicable Final Terms or Pricing Supplement.

Rating Agency means any one of Moody's Investors Service Pty Limited and Fitch Australia Pty Limited (together, the **Rating Agencies**) or their successors, to the extent they provide ratings in respect of the Covered Bonds.

Record Date means the Business Day falling 15 days prior to the relevant due date.

Redeemed Covered Bonds means the Covered Bonds to be redeemed in accordance with Condition 7(c).

Reference Banks has the meaning given in the applicable Final Terms or Pricing Supplement or, if none is specified, four major banks selected by the Principal Paying Agent in the interbank market that is most closely connected with the Reference Rate, as specified in the applicable Final Terms or Pricing Supplement.

Reference Rate means the reference rate for the relevant period, as specified in the applicable Final Terms or Pricing Supplement.

RBA means the Reserve Bank of Australia.

Relevant Date means the date on which any payment of principal and interest (if any) in respect of the Covered Bonds and Coupons by or on behalf of the Issuer and all payments of Guaranteed Amounts by or on behalf of the CB Guarantor first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Bond Trustee or the Principal Paying Agent on or prior to such 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 14.

Relevant Financial Centre means with respect to any Floating Rate to be determined in accordance with Screen Rate Determination on an Interest Determination Date, the financial centre specified as such in the applicable Final Terms or Pricing Supplement or, if none is so specified, the principal financial centre with which the relevant Reference Rate is most closely connected.

Relevant Governmental Body means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York or any successor thereto.

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

(a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (C) a group of the aforementioned central banks or other supervisory authorities, or (D) the Financial Stability Board or any part thereof.

Relevant Rate means the Reference Rate benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to Reference Rate benchmark) equal to the period of time specified as such in the applicable Final Terms or Pricing Supplement, or if none if specified, a period of time equal to the relevant Interest Period, ignoring any adjustments as a consequence of the applicable Business Day Convention.

Relevant Screen Page means:

(a) the page, section, caption, column or other part (**Page**) of a particular information service specified as the Relevant Screen Page in the applicable Final Terms or Pricing Supplement, such other Page as may succeed or replace it on that information service or such other Page on such other information service as the Calculation Agent or other party responsible for the calculation of the Interest Rate as specified in the applicable Final Terms or Pricing Supplement may determine replaces or succeeds that Page (after prior consultation with the Issuer); or

(b) any other Page as may succeed or replace it on that information service or such other Page on such other information service, in each case, as the Calculation Agent or other party responsible for the calculation of the Interest Rate as specified in the applicable Final Terms or Pricing Supplement may determine replaces or succeeds that Page (after prior consultation with the Issuer).

Relevant Time means the time so described in the applicable Final Terms or Pricing Supplement, or, if none is specified, at which it is customary to determine such rate.

Representative Amount means the amount specified as such in the applicable Final Terms or Pricing Supplement, or if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

Reserve Bank Act means the Reserve Bank Act 1959 of Australia.

Securities Act means the United States Securities Act of 1933, as amended.

Series Reserved Matter in relation to Covered Bonds of a Series means: (i) reduction or cancellation of the amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of payment or, where applicable, modification of the method of calculating the date of payment in respect of any principal or interest in respect of the Covered Bonds; (ii) alteration of the currency in which payments under the Covered Bonds and Coupons are to be made, other than pursuant to Condition 6(i); (iii) alteration of the quorum or majority required to pass an Extraordinary Resolution; (iv) any amendment to the Covered Bond Guarantee or the Security Trust Deed (other than any amendment that Bond Trustee determines is not materially prejudicial to the interests of the Covered Bondholders of any Series or any amendment which is of a formal, minor or technical nature or is in the opinion of the Bond Trustee made to correct a manifest error or proven error); (v) except in accordance with Condition 7(h) or the provision relating to substitution in Condition 15, the sanctioning of any scheme or proposal for the exchange or sale of the Covered Bonds for or the conversion of the Covered Bonds into, or the cancellation of the Covered Bonds in consideration of, shares, stock, Covered Bonds, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, bonds, Covered Bonds, debentures, debenture stock and/or other obligations and/or securities as stated above and partly for or into or in consideration of cash and for the appointment of some person with power on behalf of the Covered Bondholders to execute an instrument of transfer of the Registered Covered Bonds held by them in favour of the persons with or to whom the Covered Bonds are to be exchanged or sold respectively; and (vi) alteration of the proviso to paragraph 5 or paragraph 6 of Schedule 4 to the Bond Trust Deed or the alteration of this definition.

Specified Currency has the meaning given in the applicable Final Terms or Pricing Supplement.

Specified Interest Payment Date in respect of Floating Rate Covered Bonds has the meaning (if any) given to it in the applicable Final Terms or Pricing Supplement.

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, Euro 0.01.

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

Talon means talons for further Coupons on interest-bearing Bearer Definitive Covered Bonds,

Trust Manager means AB Management Pty Ltd in its capacity as trust manager or any successor trust manager appointed from time to time.

Winding Up means:

(a) a court order is made for the winding-up of the Issuer which order is not successfully appealed or permanently stayed within 60 days of the making of the order; or

(b) an effective resolution is passed by shareholders or members for the winding-up of the Issuer.

3. Status of the Covered Bonds and the Covered Bond Guarantee

(a) Status of the Covered Bonds

The Covered Bonds 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).

Section 13A(3) of the Australian Banking Act provides that if an ADI (of which the Issuer is one) becomes unable to meet its obligations or suspends payment, the assets of the ADI in Australia are to be available to meet the ADI's liabilities in the following order:

(i) first, the ADI's liabilities (if any) to APRA in respect of the rights APRA has against the ADI to be paid amounts equal to the amount which the holder of a protected account is entitled to receive from APRA under the Financial Claims Scheme;

(ii) second, the ADI's debts (if any) to APRA in respect of APRA's costs incurred in relation to the exercise of its powers and the performance of its functions relating to the ADI in connection with the Financial Claims Scheme;

(iii) third, the ADI's liabilities (if any) in Australia in relation to protected accounts that accountholders keep with the ADI;

(iv) fourth, the ADI's debts (if any) to the RBA;

(v) fifth, the ADI's liabilities (if any) under an industry support contract that is certified under section 11CB of the Australian Banking Act; and

(vi) sixth, the ADI's other liabilities (if any) in the order of their priority apart from section 13A(3) of the Australian Banking Act.

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

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

The Issuer's indebtedness under the Covered Bonds will not be a protected account for the purposes of the Financial Claims Scheme in Division 2AA of Part II of the Australian Banking Act and will not be a deposit liability of the Issuer for the purposes of the Australian Banking Act and is not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction. For the purposes of section 13A(3) of the Australian Banking Act the Issuer's indebtedness under the Covered Bonds will rank as another liability under paragraph (vi) above. If the Issuer becomes unable to meet its obligations or suspends payment, its assets in Australia are to be available to meet its indebtedness evidenced by the Covered Bonds only after the liabilities referred to in section 13A(3)(a) - (e) have been met.

(b) 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 CB Guarantor (the **Covered Bond Guarantee**) as set out in the Bond Trust Deed. However, the CB Guarantor will have no obligation under the Covered Bond Guarantee to pay any Guaranteed Amounts until the service of a Notice to Pay by the Bond Trustee on the CB Guarantor which the Bond Trustee is required to serve following the occurrence of an Issuer Event of Default and service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice or, if earlier, following the occurrence of a CBG Event of Default and service by the Bond Trustee of a CBG Acceleration Notice.

The obligations of the CB Guarantor under the Covered Bond Guarantee are direct, absolute and (following service of an Issuer Acceleration Notice and Notice to Pay or a CBG Acceleration Notice),

unconditional obligations of the CB Guarantor, which are secured as provided in the Security Trust Deed and limited recourse to the CB Guarantor as described in Condition 18.

Any payment made by the CB 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 10) 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

(a) Interest on Fixed Rate Covered Bonds

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 payable, subject as provided in these Conditions, in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date or such date as specified in the applicable Final Terms or Pricing Supplement. If a Notice to Pay is served on the CB Guarantor, the CB Guarantor will pay Guaranteed Amounts in equivalent amounts to those described in the preceding sentence under the Covered Bond Guarantee in respect of the Covered Bonds on the Original Due for Payment Dates or, if applicable, the Extended Due for Payment Date.

If the Covered Bonds are in definitive form, except as provided in the applicable Final Terms or Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms or Pricing Supplement, amount to the Broken Amount.

Except in the case of Covered Bonds in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms or Pricing Supplement, interest will 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 Australian Domestic Covered Bonds, the Principal Amount Outstanding of the Australian Domestic Covered Bond;

(ii) in the case of Fixed Rate Covered Bonds which are represented by a Global Covered Bond, the aggregate outstanding nominal amount of the Fixed Rate Covered Bonds represented by such Global Covered Bond; or

(iii) in the case of Fixed Rate Covered Bonds in definitive form, 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 in definitive form 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.

Day Count Fraction means, in respect of the calculation of an amount of interest in relation to any Covered Bond for a period of time (from, and including, the first day of such period to, but excluding, the last day of such period) (whether or not constituting a Calculation Period) in accordance with this Condition 4(a):

(i) if **Actual/Actual (ICMA)** is specified in the applicable Final Terms or Pricing Supplement:

(A) in the case of Covered Bonds where the Accrual Period is equal to or shorter than the Determination Period 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 (as specified in the applicable Final Terms or Pricing Supplement) that would occur in one calendar 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; 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;

(ii) if **30/360** is specified in the applicable Final Terms or Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and

(iii) if **RBA Bond Basis** or **Australian Bond Basis** is specified in the applicable Final Terms or Pricing Supplement, one divided by the number of Interest Payment Dates in a year or, where the Calculation Period does not constitute a Fixed Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:

(A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and

(B) the actual number of days in that portion of the Calculation Period falling in a non- leap year divided by 365).

(b) Interest on Floating Rate Covered Bonds

(i) Interest Payment Dates

Each Floating Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms or Pricing Supplement; or

(B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms or Pricing Supplement, 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 or Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period.

If a Business Day Convention is specified in the applicable Final Terms or Pricing Supplement 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:

(C) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the **Floating Rate Convention**, such Interest Payment Date: (i) in the case of (x) above, will be the last day that is a Business Day in the relevant month and the provisions of (B) below will apply *mutatis mutandis*; or (ii) in the case of (y) above, 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 (A)

such Interest Payment Date will be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date will be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(D) the **Following Business Day Convention**, such Interest Payment Date will be postponed to the next day which is a Business Day; or

(E) 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

(F) the **Preceding Business Day Convention**, such Interest Payment Date will be brought forward to the immediately preceding Business Day.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Covered Bonds will be determined in the manner specified in the applicable Final Terms or Pricing Supplement.

(A) ISDA Determination for Floating Rate Covered Bonds

Where ISDA Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (if any). For the purposes of this subparagraph (ii), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent or the Calculation Agent (as applicable) or other party responsible for the calculation of the Rate of Interest as specified in the applicable Final Terms or Pricing Supplement (and references in this Condition 4(b)(ii)(A) to "Principal Paying Agent" shall be construed accordingly) or, in respect of the Australian Domestic Covered Bonds, the Calculation Agent or other person specified in the applicable Final Terms or Pricing Supplement under an interest rate swap transaction if the Principal Paying Agent or, in respect of the Australian Domestic Covered Bonds, the Calculation Agent or that other person were acting as calculation agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(1) the Floating Rate Option is as specified in the applicable Final Terms or Pricing Supplement;

(2) the Designated Maturity (if applicable) is the period specified in the applicable Final Terms or Pricing Supplement;

(3) the relevant Reset Date is either: (i) if the applicable Floating Rate Option is based on the Australian Bank Bill Swap Rate for a currency, the first day of that Interest Period; or (ii) in any other case, as specified in the applicable Final Terms or Pricing Supplement;

(4) if the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate"; and

(5) "Fallback Observation Day" in the ISDA Definitions shall be deemed deleted in its entirety and replaced with the following:

Fallback Observation Day means, in respect of a Reset Date and the Calculation Period (or any Compounding Period included in that Calculation

Period) to which that Reset Date relates, unless otherwise agreed, the day that is five Business Days preceding the related Payment Date.".

Unless otherwise stated in the applicable Final Terms or Pricing Supplement the Minimum Rate of Interest will be deemed to be zero.

For the purposes of this Condition 4(b)(ii)(A), **Compounding Period**, **Designated Maturity, Floating Rate**, **Floating Rate Option** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Covered Bonds not referencing Compounded Daily SONIA, Compounded Daily SOFR, Compounded Daily SARON, BBSW Rate or AONIA Rate

(1) Where Screen Rate Determination – Term Rate is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being EURIBOR or another rate (other than Compounded Daily SONIA, Compounded Daily SOFR, Compounded Daily SARON, BBSW Rate or AONIA Rate), the Rate of Interest for each Interest Period will, subject as provided below, be either:

I. the Relevant Rate (where the Relevant Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity) which appears on the Relevant Screen Page; or

II. the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards or, in the case of Australian Domestic Covered Bonds only, rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the Relevant Rates of the persons whose Relevant Rates appear on the Relevant Screen Page,

(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 or about 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 or Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent or other party responsible for the calculation of the Interest Rate as specified in the applicable Final Terms or Pricing Supplement (and references in this Condition to "Principal Paying Agent" shall be construed accordingly). For the avoidance of doubt, as at the date of this Prospectus, in respect of Covered Bonds which are not Exempt Covered Bonds, the only relevant Reference Rate under this Condition 4(b)(ii)(B)(1) is EURIBOR.

If Condition 4(b)(ii)(B)(1)(II) applies and five or more of such Relevant Rates are available on the Relevant Screen Page, the highest (or, if there is more than one such highest Relevant Rate, one only of such Relevant Rates) and the lowest (or, if there is more than one such lowest Relevant Rate, one only of such Relevant Rates) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above).

If the Relevant Screen Page is not available or if, in the case of Condition 4(b)(ii)(B)(1)(I) above, no such Relevant Rate appears or, in the case of Condition 4(b)(ii)(B)(1)(II) above, fewer than three Relevant Rates appear, in each case as at or about the Relevant Time, then (unless the Principal Paying Agent has been notified of any Reference Rate Successor Rate (and any related adjustments and successor inputs) pursuant to Condition 5 below, if applicable) the Issuer (or an independent advisor appointed by it) shall request each of the Reference Banks to provide the Issuer (or an independent advisor appointed by it) with the rate or rates (expressed as a percentage rate per annum) that each such Reference Bank is quoting to leading banks in respect of the Relevant Rate at approximately the Relevant Time in the Relevant Financial Centre on the

Interest Determination Date in question. If two or more of the Reference Banks provide the Issuer (or an independent adviser appointed by it) with such rate or rates, the Interest Rate for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such rates plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent. If on any Interest Determination Date one only or none of the Reference Banks provides the Issuer (or an independent adviser appointed by it) with such rate or rates as provided in the preceding paragraph, the Interest Rate for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Issuer (or an independent advisor appointed by it) by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time, on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the relevant 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 or Pricing Supplement, plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Issuer (or an independent adviser appointed by it) with such offered rates, either (as directed by the Issuer) the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at approximately the Relevant Time, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Issuer (or an independent advisor appointed by it) it is quoting to leading banks in the relevant 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 or Pricing Supplement, plus or minus (as appropriate) the Margin (if any), provided that, if the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Maximum Interest Rate or Minimum Interest Rate applicable to the preceding Interest Period and to the relevant Interest Period).

(C) BBSW Rate Determination or AONIA Rate Determination for Floating Rate Covered Bonds

(1) Where BBSW Rate Determination or AONIA Rate Determination is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Interest Rate applicable to the Floating Rate Covered Bonds for each such Interest Period is either (x) the BBSW Rate or (y) the AONIA Rate as specified in the applicable Final Terms or Pricing Supplement, plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (if any).

(2) 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 or the AONIA Rate, as applicable, in each case as described in this Condition 4(b)(ii)(C) (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 any adjustments made to, the BBSW Rate or the AONIA Rate, as applicable, and in each case made in accordance with this Condition 4(b)(ii)(C), will, in the absence of manifest or proved error, be conclusive and binding on the Issuer, the Covered Bondholders, the Bond Trustee and each

Agent, and, notwithstanding anything to the contrary in these Conditions or the Documents, shall become effective without the consent of any person.

(3) If the Principal Paying Agent or the Calculation Agent, as applicable, is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Interest Rate, 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 In the absence of wilful default, gross negligence or fraud, neither the Principal Paying Agent nor the Calculation Agent shall have any liability to the Issuer, the CB Guarantor, the other Paying Agents, the Bond Trustee and all Covered Bondholders and Couponholders in connection with its exercise or non-exercise of powers for any determination pursuant to Condition 4(b)(ii)(C)..

(4) All rates determined pursuant to this Condition 4(b)(ii)(C) 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 0.0005 being rounded upwards.

BBSW Rate and AONIA Rate fallbacks

If:

(a) a Temporary Disruption Trigger has occurred; or

(b) a Permanent Discontinuation Trigger has occurred,

then the Benchmark 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):

(i) where BBSW Rate is the Applicable Benchmark Rate, if a Temporary Disruption Trigger has occurred with respect to the BBSW Rate, in the following order of precedence:

(A) first, the Administrator Recommended Rate;

(B) then the Supervisor Recommended Rate; and

(C) lastly, the Final Fallback Rate;

(ii) where AONIA Rate is the Applicable Benchmark Rate or a determination of the AONIA Rate is required for the purposes of paragraph (i) above, if a Temporary Disruption Trigger has occurred with respect to AONIA Rate, the rate for any day for which AONIA Rate is required will be the last provided or published level of AONIA Rate;

(iii) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (i) or (ii) 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 Rate);

(iv) where BBSW Rate is the Applicable Benchmark Rate, if a Permanent Discontinuation Trigger has occurred with respect to the BBSW Rate, the rate for any day for which the BBSW Rate is required on or after

the Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

(A) first, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;

(B) then, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and

(C) lastly, if neither paragraph (A) nor paragraph (B) above apply, the Final Fallback Rate;

(v) where AONIA Rate is the Applicable Benchmark Rate or a determination of the AONIA Rate is required for the purposes of Condition 4(b)(ii)(C)(b)(iv)(A) 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:

(A) 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

(B) lastly, if paragraph (A) above does not apply, the Final Fallback Rate; and

(vi) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (iv) or (v) 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 or AONIA Rate (as applicable) 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.

In this respect, the Issuer may at any time, specify any BBSW Benchmark Replacement Conforming Changes which changes shall apply to the Covered Bonds for all future Interest Periods (without prejudice to the further operation of this Condition 4(b)(ii)(C)) and, for the avoidance of doubt, the Bond Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by two Authorised Signatories (as defined in the Common Terms Deed) of the Issuer, confirming that the Issuer has made the relevant determinations in accordance with this Condition 4(b)(ii)(C) and attaching the proposed amendments to the Terms and Conditions, be obliged to concur with the Issuer to effect such amendments to the Terms and Conditions together with such consequential amendments to the Bond Trust Deed and the Agency Agreements as the Bond Trustee may deem appropriate in order to give effect to this Condition 4(b)(ii)(C) and the Bond Trustee shall not be liable to any person for any consequences thereof, save as provided in the Bond Trust Deed. No consent of the Covered Bondholders of the relevant Series or of the holders of the Coupons appertaining thereto shall be required in connection with effecting such changes, including for the

execution of any documents or the taking of other steps by the Bond Trustee, the Issuer or any of the parties to the Agency Agreements (if required). The Bond Trustee shall not be obliged to agree to any 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 documents to which it is a party and/or these Terms and Conditions. The Agents (as defined in the Common Terms Deed) shall give effect to this Condition 4(b)(ii)(C) (by effecting such consequential amendments to the Agency Agreements or otherwise as is necessary on the part of each Agent (acting reasonably)), provided that the Agents shall not be obliged to give effect to any such amendments, if in the reasonable opinion of the relevant Agent (acting in good faith and following consultation, to the extent practicable, with the Issuer), the same would not be operable in accordance with the terms proposed pursuant to this Condition 4(b)(ii)(C) or would expose it to any additional duties or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Terms and Conditions and/or the Agency Agreements. The Issuer shall promptly following the determination of any changes pursuant to this Condition 4(b)(ii)(C) give notice thereof to the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, and the Covered Bondholders (in accordance with Condition 14 (*Notices*)).

If the Principal Paying Agent or Calculation Agent, as appliable, is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Interest Rate, 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. In the absence of wilful default, gross negligence or fraud, neither the Principal Paying Agent nor the Calculation Agent shall have any liability to the Issuer, the CB Guarantor, the other Paying Agents, the Bond Trustee and all Covered Bondholders and Couponholders in connection with its exercise or non-exercise of powers for any determination pursuant to Condition 4(b)(ii)(C).

For the purpose of this Condition 4(b)(ii)(C):

Administrator means:

(a) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417);

(b) in respect of the AONIA Rate, 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 Sydney 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 Sydney Business Days prior to the end of such Interest Period (or the date falling five Sydney 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 a BBSW/AONIA Interest Determination Date, the rate determined by the Calculation Agent to be Compounded

Daily AONIA for that Interest Period and BBSW/AONIA Interest Determination Date plus, if applicable, the BBSW/AONIA Adjustment Spread;

Applicable Benchmark Rate means the Benchmark Rate specified in the applicable Final Terms or Pricing Supplement and, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, the AONIA Rate or the RBA Recommended Rate, then the rate determined in accordance with this Condition 4(b)(ii)(C);

BBSW Benchmark Replacement Conforming Changes means, with respect to any replacement rate for the Applicable Benchmark Rate determined in accordance with this Condition 4(b)(ii)(C) (the "**Relevant Replacement Rate**"), changes to (1) any Interest Determination Date, Interest Payment Date, Business Day Convention or Interest Period, (2) the manner, timing and frequency of determining the rate and amounts of interest that are payable on the Covered Bonds during the Interest Period and the conventions relating to such determination and calculations with respect to interest, (3) rounding conventions, (4) tenors and (5) any other terms or provisions of the Covered Bonds during the Interest Period, in each case that the Issuer (in consultation, to the extent practicable, with the Principal Paying Agent or Calculation Agent, as applicable) determines, from time to time, to be appropriate to reflect the determination and implementation of Relevant Replacement Rate in a manner substantially consistent with market practice (or, if the Issuer (in consultation, to the extent practicable, with the Principal Paying Agent or Calculation Agent, as applicable) decides that implementation of any portion of such market practice is not administratively feasible or determine that no market practice for use of the Relevant Replacement Rate exists, in such other manner as the Issuer (in consultation, to the extent practicable, with the Principal Paying Agent or Calculation Agent, as applicable) determines is appropriate (acting in good faith));

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 "MTD" rate on 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 Sydney Business Day of that Interest Period;

BBSW/AONIA Adjustment Spread means the adjustment spread as at the BBSW/AONIA 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 BBSW/AONIA Adjustment Spread Fixing Date using practices based on those used for the determination of the BBSW/AONIA Bloomberg Adjustment Spread as at 1 December 2022, provided that for so long as the BBSW/AONIA 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;

BBSW/AONIA Adjustment Spread Fixing Date means the first date on which a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate;

BBSW/AONIA 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;

BBSW/AONIA Interest Determination Date means, in respect of an Interest Period:

(a) where the BBSW Rate applies or the Final Fallback Rate applies under paragraph (iv)(C) of this Condition 4(b)(ii)(C) of the definition of Permanent Discontinuation Trigger, the first day of that Interest Period; and

(b) otherwise, the fifth Sydney 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;

Benchmark Rate means, for an Interest Period, either the BBSW Rate or the AONIA Rate as specified in the applicable Final Terms or Pricing Supplement;

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 BBSW/AONIA Interest Determination Date, 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:

$AONIA_{i\text{-}5SBD}$ 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 Sydney Business Days prior to such Sydney Business Day "i";

d is the number of calendar days in the relevant Interest Period;

d_0 is the number of Sydney Business Days in the relevant Interest Period;

i is a series of whole numbers from 1 to d_0, each representing the relevant Sydney Business Day in chronological order from (and including) the first Sydney Business Day in the relevant Interest Period to (and including) the last Sydney Business Day in such Interest Period;

n_i for any Sydney Business Day "i" in the relevant Interest Period, means the number of calendar days from (and including) such Sydney Business Day "i" up to (but excluding) the following Sydney Business Day; and

SBD means Sydney Business Day.

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 this Condition 4(b)(ii)(C);

Final Fallback Rate means, in respect of an Applicable Benchmark Rate, the rate:

(a) determined by the Issuer 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 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 Benchmark Rate-linked floating rate covered bonds at such time), or, if no such industry standard is recognised or acknowledged, the method for calculating or determining such adjustment spread determined by 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;

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 the AONIA Rate 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 (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 the AONIA Rate 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;

(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 the AONIA Rate 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 Rates 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 Rate, 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 Rate 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 Rate 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;

Sydney Business Day means any day on which commercial banks are open for general business in Sydney; 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 Issuer (in consultation with the Calculation Agent) determines that there is an obvious or proven error in that rate.

(D) Screen Rate Determination – Overnight Rate (SONIA, SOFR or SARON)

(1) SONIA

If Screen Rate Determination – SONIA is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Rate of Interest is to be determined and:

(a) the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being SONIA, and the SONIA Averaging Method is specified in the applicable Final Terms or Pricing Supplement as being Compounded Daily, the Rate of Interest applicable to the Covered Bonds for each Interest Period will be Compounded Daily SONIA plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin; or

(b) the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being SONIA Index and the SONIA Averaging Method is specified in the applicable Final Terms or Pricing Supplement as being Compounded Index, the Rate of Interest applicable to the Covered Bonds for each Interest Period will be Compounded Index SONIA plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin,

in each case as calculated by the Principal Paying Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one-hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or

0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)),

where for the purposes of this Condition 4(b)(ii)(D)(1):

Compounded Daily SONIA means the rate of return of a daily compound interest investment (with SONIA as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point ((e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

Compounded Index SONIA means the rate of return of a daily compound interest investment as calculated by the Principal Paying Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)):

$$\left(\frac{SONIA\ Index_{End}}{SONIA\ Index_{Start}}-1\right)\times\frac{365}{d}$$

d is the number of calendar days in (where Compounded Daily is the SONIA Averaging Method and "Lag" or "Lock-out" is specified as the SONIA Observation Method, in each case in the applicable Final Terms or Pricing Supplement) the relevant Interest Period or (where Compounded Daily is the SONIA Averaging Method and "Shift" is specified as the SONIA Observation Method, or Compounded Index is specified as the SONIA Averaging Method, in each case in the applicable Final Terms or Pricing Supplement) the relevant SONIA Observation Period;

d_o is the number of London Banking Days in (where "Lag" or "Lock-out" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement) the relevant Interest Period or (where "Shift" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement) the relevant SONIA 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, (where "Lag" or "Lock-out" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement) the first London Banking Day in the relevant Interest Period to, and including, the last London Banking Day in the relevant Interest Period or (where "Shift" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement) the first London Banking Day in the relevant SONIA Observation Period to, and including, the last London Banking Day in the relevant SONIA Observation Period;

Lock-out Period means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date;

London Banking Day or **LBD** means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for general business and to settle payments in London;

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;

p means, for any Interest Period:

(a) where "Lag" or "Shift" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement, the number of London Banking Days specified as the SONIA Observation Look-Back Period in the applicable Final Terms or Pricing Supplement which shall not be less than five London Banking Days unless agreed with the Principal Paying Agent (or if no such number is specified, five London Banking Days); or

(b) where "Lock-out" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement, zero;

Reference Day means each London Banking Day in the relevant Interest Period, other than any London Banking Day in the Lock-out Period;

SONIA means:

(a) where in the applicable Final Terms or Pricing Supplement "Lag" or "Shift" is specified as the SONIA Observation Method, in respect of any London Banking Day, SONIA in respect of such London Banking Day;

(b) where in the applicable Final Terms or Pricing Supplement "Lock-out" is specified as the SONIA Observation Method:

I. in respect of any London Banking Day "i" that is a Reference Day, SONIA in respect of the London Banking Day immediately preceding such Reference Day; and

II. in respect of any London Banking Day "i" that is not a Reference Day (being a London Banking Day in the Lock-out Period), SONIA in respect of the London Banking Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date),

where SONIA in respect of any London Banking Day is equal to the daily Sterling Overnight Index Average 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 on the immediately following London Banking Day or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors, provided that:

(i) if, in respect of any London Banking Day in the relevant SONIA Observation Period, the SONIA rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be (unless the Principal Paying Agent has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to Condition 5 below, if applicable): (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five London Banking Days on which a SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate;

(ii) notwithstanding the paragraph above, in the event that the Bank of England publishes guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms or Pricing Supplement) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA or such rate that is to replace SONIA, for purposes of the relevant Series of Covered Bonds for so long as the SONIA rate is not available or has not been published by the authorised distributors; and

(iii) in the event that SONIA cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest 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 or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the relevant Series of Covered Bonds for the first Interest Period had the relevant Series of Covered Bonds been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period);

SONIA Averaging Method means the method specified as such in the applicable Final Terms or Pricing Supplement;

SONIA Index means, where "SONIA Index" is specified as the Reference Rate and "Compounded Index" is specified as the SONIA Averaging Method in the applicable Final Terms or Pricing Supplement, with respect to any London Banking Day:

(a) the value of the index known as the "SONIA Compounded Index" administered by the Bank of England (or any successor administrator thereof) as published by the Bank of England (or any successor administrator) on the Relevant Screen Page on the immediately following London Banking Day provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Bank of England, as the administrator of SONIA (or any successor administrator of SONIA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SONIA Index in relation to such London Banking Day; or

(b) if the index in paragraph (a) is not published or displayed by the administrator of the SONIA rate or other information service on the relevant Interest Determination Date as specified in the applicable Final Terms or Pricing Supplement, the Reference Rate for the applicable Interest Period for which the index is not available shall be SONIA, and for these purposes, the SONIA Averaging Method shall be deemed to be "Compounded Daily", "p" as specified in the applicable Final Terms or Pricing Supplement shall be the SONIA Observation Look-back Period, and the SONIA Observation Method shall be deemed to be "Shift", as if SONIA Index had not been specified as being applicable and these alternative elections had been made;

SONIA Observation Look-back Period means the number of days specified as such in the applicable Final Terms or Pricing Supplement which shall not be less than five London Banking Days unless agreed with the Principal Paying Agent;

SONIA Observation Method means the method specified as such in the applicable Final Terms or Pricing Supplement;

SONIA Observation Period means, in respect of an Interest Period, the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date which is "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

SONIA$_{i\text{-}pLBD}$ means:

(a) where "Lag" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement, the applicable SONIA rate set out in the definition of "SONIA" above for the London Banking Day (being a London Banking Day falling in the relevant SONIA Observation Period) falling "p" London Banking Days prior to the relevant London Banking Day "i";

(b) where "Shift" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement, the applicable SONIA rate set out in the definition of "SONIA" above for the London Banking Day "i" falling in the relevant SONIA Observation Period; or

(c) where "Lock-out" is specified as the SONIA Observation Method in the applicable Final Terms or Pricing Supplement, the applicable SONIA rate set out in the definition of "SONIA" above for the relevant London Banking Day "i";

SONIA Index$_{end}$ means the SONIA Index value on the London Banking Day falling "p" London Banking Days before the last day of the relevant Interest Period (or in the final Interest Period, the Final Maturity Date); and

SONIA Index$_{start}$ means the SONIA Index value on the London Banking Day falling "p" London Banking Days before the first day of the relevant Interest Period.

(2) SOFR

If Screen Rate Determination – SOFR is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Rate of Interest is to be determined and:

(a) the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being SOFR and the SOFR Averaging Method is specified in the applicable Final Terms or Pricing Supplement as being Compounded Daily, the Rate of Interest applicable to the relevant Series of Covered Bonds for each Interest Period will be Compounded Daily SOFR plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin;

(b) the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being SOFR Index and the SOFR Averaging Method is specified in the applicable Final Terms or Pricing Supplement as being Compounded Index, the Rate of Interest applicable to the Covered Bonds for each Interest Period will be Compounded Index SOFR plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin; or

(c) the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being SOFR and the SOFR Averaging Method is specified in the applicable Final Terms or Pricing Supplement as being Weighted Average, the Rate of Interest applicable to the relevant Series of Covered Bonds for each Interest Period will be Weighted

Average SOFR plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin,

in each case as calculated by the Principal Paying Agent on the Interest Determination Date, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)).

If the SOFR Benchmark Replacement is at any time required to be used pursuant to paragraph III of the definition of SOFR, then the SOFR Benchmark Replacement Agent will determine the SOFR Benchmark Replacement in accordance with the definition thereof with respect to the then-current SOFR Benchmark, and if the SOFR Benchmark Replacement Agent has so determined the SOFR Benchmark Replacement, then:

(i) the SOFR Benchmark Replacement Agent shall also determine the method for determining the rate described in sub-paragraph (i) of paragraph (a), (b) or (c) of the definition of SOFR Benchmark Replacement, as applicable (including (i) the page, section or other part of a particular information service on or source from which such rate appears or is obtained (the "**Alternative Relevant Source**"), (ii) the time at which such rate appears on, or is obtained from, the Alternative Relevant Source (the "**Alternative Relevant Time**"), (iii) the day on which such rate will appear on, or is obtained from, the Alternative Relevant Source in respect of each U.S. Government Securities Business Day (the "**Alternative Relevant Date**"), and (iv) any alternative method for determining such rate if is unavailable at the Alternative Relevant Time on the applicable Alternative Relevant Date), which method shall be consistent with industry-accepted practices for such rate;

(ii) from (and including) the Affected Day, references to the Relevant Time shall in these Conditions be deemed to be references to the Alternative Relevant Time;

(iii) if the SOFR Benchmark Replacement Agent determines that (i) changes to the definitions of Business Day, Business Day Convention, Compounded Daily SOFR, Day Count Fraction, Interest Determination Date, Interest Payment Date, Interest Period, SOFR Observation Period, SOFR or U.S. Government Securities Business Day and/or (ii) any other technical changes to any other provision in this Condition 4(b)(ii)(D)(2), are necessary in order to implement the SOFR Benchmark Replacement (including any alternative method described in sub-paragraph (iv) of paragraph (i) above) as the SOFR Benchmark in a manner substantially consistent with market practice (or, if the SOFR Benchmark Replacement Agent decide that adoption of any portion of such market practice is not administratively feasible or if the SOFR Benchmark Replacement Agent, as the case may be, determines that no market practice for use of the SOFR Benchmark Replacement exists, in such other manner as the SOFR Benchmark Replacement Agent determines is reasonably necessary), the Issuer and/or the Principal Paying Agent, as applicable, shall agree without any requirement for the consent or approval of Covered Bondholders to the necessary modifications to these Conditions, the Bond Trust Deed and/or the Agency Agreement in order to provide for the amendment of such definitions or other provisions to reflect such changes; and

(iv) the Issuer will give notice or will procure that notice is given as soon as practicable to the Principal Paying Agent and to the Covered Bondholders in accordance with Condition 15, specifying the SOFR Benchmark Replacement, as well as the details described in

paragraph (i) above and the amendments implemented pursuant to paragraph (iii) above.

For the purposes of this Condition 4(b)(ii)(D)(2):

Compounded Daily SOFR means the rate of return of a daily compound interest investment (with SOFR as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_{i-pUSBD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

Compounded Index SOFR means the rate of return of a daily compound interest investment as calculated by the Principal Paying Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}}-1\right)\times\frac{360}{d}$$

provided that, if the SOFR Index value required to determine SOFR $Index_{Start}$ or SOFR $Index_{End}$ does not appear on the SOFR Administrator's Website at the Relevant Time on the relevant U.S. Government Securities Business Day (or by 3:00 p.m. New York City time on the immediately following U.S. Government Securities Business Day or such later time falling one hour after the customary or scheduled time for publication of the SOFR Index value in accordance with the then-prevailing operational procedures of the administrator of SOFR Index), the SOFR Averaging Method shall be deemed to be "Compounded Daily", "p" as specified in the applicable Final Terms or Pricing Supplement shall be the SOFR Observation Look-back Period, and the SOFR Observation Method shall be deemed to be "Shift", as if Compounded Index SOFR had not been specified as being applicable and these alternative elections had been made.

Corresponding Tenor means, with respect to a SOFR Benchmark Replacement, a tenor (including overnight) having approximately the same length (disregarding any applicable Business Day Convention) as the applicable tenor for the then-current SOFR Benchmark;

d is the number of calendar days in (where Compounded Daily is the SOFR Averaging Method and "Lag", "Lock-out" or "Payment Delay" is specified as the SOFR Observation Method, in each case in the applicable Final Terms or Pricing Supplement) the relevant Interest Period or (where Compounded Daily is the SOFR Averaging Method and "Shift" is specified as the SOFR Observation Method, or Compounded Index is specified as the SOFR Averaging Method, in each case in the applicable Final Terms or Pricing Supplement) the relevant SOFR Observation Period;

d_o is the number of U.S. Government Securities Business Days (where "Lag", "Lock-out" or "Payment Delay" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement) in the relevant Interest Period or (where "Shift" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement) the relevant SOFR Observation Period;

i is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and

including, (where "Lag", "Lock-out" or "Payment Delay" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement) the first U.S. Government Securities Business Day in the relevant Interest Period to, and including, the last U.S. Government Securities Business Day in the relevant Interest Period or (where "Shift" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period to, and including, the last U.S. Government Securities Business Day in the relevant SOFR Observation Period;

ISDA Fallback Adjustment means, with respect to any ISDA Fallback Rate, the spread adjustment, which may be a positive or negative value or zero, that would be applied to such ISDA Fallback Rate in the case of derivative transactions referencing the ISDA Definitions that will be effective upon the occurrence of an index cessation event with respect to the then-current SOFR Benchmark for the applicable tenor;

ISDA Fallback Rate means, with respect to the then-current SOFR Benchmark, the rate that would apply for derivative transactions referencing the ISDA Definitions that will be effective upon the occurrence of an index cessation date with respect to the then-current SOFR Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

Lock-out Period means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date which shall not be less than five U.S. Government Securities Business Days unless agreed with the Principal Paying Agent;

$\mathbf{n_i}$, for any U.S. Government Securities Business Day "i", means the number of calendar days from and including such U.S. Government Securities Business Day "i" up to but excluding the following U.S. Government Securities Business Day;

p means, for any Interest Period:

(a) where "Lag" or "Shift" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the number of U.S. Government Securities Business Days specified as the SOFR Observation Look-Back Period in the applicable Final Terms or Pricing Supplement which shall not be less than five U.S. Government Securities Business Days unless agreed with the Principal Paying Agent (or if no such number is specified, five U.S. Government Securities Business Days);

(b) where "Lock-out" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, zero; or

(c) where "Payment Delay" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, zero;

Reference Day means each U.S. Government Securities Business Day in the relevant Interest Period or SOFR Observation Period (as applicable), other than any U.S. Government Securities Business Day in the Lock-out Period (in respect of any Covered Bonds for which "Lock-out" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement) or the SOFR Cut-off Period (in respect of any Covered Bonds for which "Payment Delay" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement);

Relevant Time means 3:00 p.m., New York City time or such other time as is specified in the applicable Final Terms or Pricing Supplement;

SOFR means:

(a) where “Lag” or “Shift” is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, SOFR in respect of such U.S. Government Securities Business Day;

(b) where “Lock-out” is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement:

i. in respect of any U.S. Government Securities Business Day “i” that is a Reference Day, SOFR in respect of the U.S. Government Securities Business Day immediately preceding such Reference Day; and

ii. in respect of any U.S. Government Securities Business Day “i” that is not a Reference Day (being a U.S. Government Securities Business Day in the Lock-out Period), SOFR in respect of the U.S. Government Securities Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date); or

(c) where “Payment Delay” is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement:

i. in respect of any U.S. Government Securities Business Day “i” that is a Reference Day, SOFR in respect of such U.S. Government Securities Business Day; and

ii. in respect of any U.S. Government Securities Business Day “i” that is not a Reference Day (being a U.S. Government Securities Business Day in the SOFR Cut-off Period), SOFR in respect of the SOFR Cut-off Date,

where SOFR shall be a reference rate equal to:

I. the daily Secured Overnight Financing Rate as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) (the **daily Secured Overnight Financing Rate**) on the SOFR Administrator’s Website at or about 3:00 p.m. (New York City time) on the next succeeding U.S. Government Securities Business Day; or

II. if the daily Secured Overnight Financing Rate is not published and the Issuer has not determined that a SOFR Benchmark Transition Event has occurred, the SOFR for the first preceding U.S. Government Securities Business Day on which the SOFR was published on the SOFR Administrator’s Website; or

III. if the SOFR Benchmark Replacement Agent determines that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark on or prior to the Relevant Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day (or, if the then-current SOFR Benchmark is not SOFR, on or prior to the Relevant Time on the Alternative Relevant Date), then (subject to the subsequent operation of this paragraph (c)) from (and including) the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day (or the Alternative Relevant Date, as applicable) (the “**Affected Day**”), SOFR shall mean, in respect of any U.S. Government Securities Business Day, the applicable SOFR Benchmark Replacement for such U.S. Government Securities Business Day appearing on, or obtained from, the Alternative Relevant Source at the Alternative Relevant Time on the Alternative Relevant Date.

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of the daily Secured Overnight Financing Rate or the SOFR Index, as applicable);

SOFR Administrator's Website means the website of the Federal Reserve Bank of New York, or any successor source;

SOFR Averaging Method means the method specified as such in the applicable Final Terms or Pricing Supplement;

SOFR Benchmark means SOFR, provided that if a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to SOFR or such other then-current SOFR Benchmark, then "SOFR Benchmark" means the applicable SOFR Benchmark Replacement;

SOFR Benchmark Replacement means, with respect to the then-current SOFR Benchmark, the first alternative set forth in the order presented below that can be determined by the SOFR Benchmark Replacement Agent, if any, as of the SOFR Benchmark Replacement Date with respect to the then-current SOFR Benchmark:

(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 SOFR Benchmark for the applicable Corresponding Tenor and (ii) the SOFR Benchmark Replacement Adjustment; or

(b) the sum of (i) the ISDA Fallback Rate and (ii) the SOFR Benchmark Replacement Adjustment;

(c) the sum of: (i) the alternate rate of interest that has been selected by the SOFR Benchmark Replacement Agent, if any, as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (ii) the SOFR Benchmark Replacement Adjustment, provided that, (A) if the SOFR Benchmark Replacement Agent determines that there is an industry-accepted replacement rate of interest for the then-current Benchmark for U.S. dollar-denominated floating rate covered bonds at such time, it shall select such industry-accepted rate, and (B) otherwise, it shall select such rate of interest that it has determined is most comparable to the then-current SOFR Benchmark, and the SOFR Benchmark Replacement Adjustment;

SOFR Benchmark Replacement Adjustment means, with respect to any SOFR Benchmark Replacement, the first alternative set forth in the order below that can be determined by the SOFR Benchmark Replacement Agent as of the SOFR Benchmark Replacement Date with respect to the then-current Benchmark:

(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 SOFR Benchmark Replacement;

(b) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment;

(c) the spread adjustment, which may be a positive or negative value or zero, that has been selected by the SOFR Benchmark Replacement Agent to be applied to the applicable Unadjusted SOFR Benchmark Replacement in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Covered Bondholders as a result of the

replacement of the then-current SOFR Benchmark with such Unadjusted SOFR Benchmark Replacement for the purposes of determining SOFR, which spread adjustment shall be consistent with any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, applied to such Unadjusted SOFR Benchmark Replacement where it has replaced the then-current SOFR Benchmark for U.S. dollar denominated floating rate covered bonds at such time;

SOFR Benchmark Replacement Agent means any institution or person that has been appointed by the Issuer to make the calculations and determinations to be made by the SOFR Benchmark Replacement Agent described herein so long as such institution or person is a leading bank or other financial institution or a person with appropriate expertise, in each case that is experienced in such calculations and determinations. The Issuer may elect, but is not required, to appoint a SOFR Benchmark Replacement Agent at any time. The Issuer will notify the Covered Bondholders of any such appointment in accordance with Condition 14;

SOFR Benchmark Replacement Date means, with respect to the then-current SOFR Benchmark, the earliest to occur of the following events with respect thereto:

(a) in the case of sub-paragraph (a) or (b) of the definition of SOFR 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 SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark; or

(b) in the case of sub-paragraph (c) of the definition of SOFR Benchmark Transition Event, the date of the public statement or publication of information referenced therein.

If the event giving rise to the SOFR Benchmark Replacement Date occurs on the same day as, but earlier than, the Relevant Time in respect of any determination, the SOFR Benchmark Replacement Date will be deemed to have occurred prior to the Relevant Time for such determination;

SOFR Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then-current SOFR Benchmark (including, in the case of Compounded Daily SOFR, Weighted Average SOFR or Compounded Index SOFR, the 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 SOFR Benchmark (or such component thereof) announcing that such administrator has ceased or will cease to provide the SOFR Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark (or such component thereof), the central bank for the currency of the SOFR Benchmark (or such component thereof), an insolvency official with jurisdiction over the administrator for the SOFR Benchmark (or such component thereof), a resolution authority with jurisdiction over the administrator for the SOFR Benchmark (or such component thereof) or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark (or such component thereof), which states that the administrator of the SOFR Benchmark (or such component thereof) has ceased or will cease to provide the SOFR Benchmark (or such component thereof) permanently or

indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark announcing that the SOFR Benchmark (or such component thereof) is no longer, or as of a specified future date will no longer be, representative;

SOFR Cut-off Date has the meaning given in the applicable Final Terms or Pricing Supplement;

SOFR Cut-off Period means the period from, and including, the day following the SOFR Cut-off Date to, but excluding, the Final Maturity Date or Optional Redemption Date, as applicable;

SOFR Observation Look-back Period means the number of days specified as such in the applicable Final Terms or Pricing Supplement which shall not be less than five U.S. Government Securities Business Days unless agreed with the Principal Paying Agent;

SOFR Observation Method means the method specified as such in the applicable Final Terms or Pricing Supplement;

SOFR Observation Period means, in respect of an Interest Period, the period from and including the date falling "p" U.S. Government Securities Business Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date which is "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the relevant Series of Covered Bonds become due and payable);

$SOFR_{i\text{-}pUSBD}$ means:

(a) where "Lag" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the applicable SOFR rate set out in the definition of "SOFR" above for the U.S. Government Securities Business Day (being a U.S. Government Securities Business Day falling in the relevant SOFR Observation Period) falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i";

(b) where "Shift" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the applicable SOFR rate set out in the definition of "SOFR" above for the U.S. Government Securities Business Day "i" falling in the relevant SOFR Observation Period;

(c) where "Lock-out" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the applicable SOFR rate set out in the definition of "SOFR" above for the relevant U.S. Government Securities Business Day "i"; or

(d) where "Payment Delay" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the applicable SOFR rate set out in the definition of "SOFR" above for the relevant U.S. Government Securities Business Day "i";

SOFR Index means, with respect to any U.S. Government Securities Business Day, the compounded daily SOFR rate for such U.S. Government Securities Business Day as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the SOFR Administrator's Website;

SOFR Index$_{End}$ means the SOFR Index value on the U.S. Government Securities Business Day falling p U.S. Government Securities Business Days before the last day of the relevant Interest Period (or in the final Interest Period, the Final Maturity Date);

SOFR Index$_{Start}$ means the SOFR Index value on the U.S. Government Securities Business Day falling p U.S. Government Securities Business Days before the first day of the relevant Interest Period;

SOFR Index value means, in respect of any U.S. Government Securities Business Day, the value of the SOFR Index published for such U.S. Government Securities Business Day as such value appears on the by the SOFR Administrator's Website at the Relevant Time on such U.S. Government Securities Business Day;

Unadjusted SOFR Benchmark Replacement means the SOFR Benchmark Replacement excluding the SOFR Benchmark Replacement Adjustment;

U.S. Government Securities Business Day means any day except for a Saturday, 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; and

Weighted Average SOFR means:

(a) where "Lag" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the arithmetic mean of "SOFR" in effect for each calendar day during the relevant Interest Period, calculated by multiplying the relevant rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period (and for these purposes, "SOFR" in respect of any calendar day which is not a Reference Day shall be deemed to be the rate in respect of the Reference Day immediately preceding such calendar day);

(b) where "Shift" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the arithmetic mean of "SOFR" in effect for each calendar day during the relevant SOFR Observation Period, calculated by multiplying the relevant rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant SOFR Observation Period (and for these purposes, "SOFR" in respect of any calendar day which is not a Reference Day shall be deemed to be the rate in respect of the Reference Day immediately preceding such calendar day);

(c) where "Lock-out" or "Payment Delay" is specified as the SOFR Observation Method in the applicable Final Terms or Pricing Supplement, the arithmetic mean of "SOFR" in effect for each calendar day during the relevant Interest Period, calculated by multiplying the relevant rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period (and for these purposes, "SOFR" in respect of any calendar day which is not a Reference Day shall be deemed to be the rate in respect of the Reference Day immediately preceding such calendar day), provided however that (x) where "Lock-out" is specified, for any calendar day of such Interest Period falling in the Lock-out Period, "SOFR" shall be deemed to be the rate in respect of the Reference Day immediately preceding the relevant Interest Determination Date, and (y) where "Payment Delay" is specified, for any calendar day of the final Interest Period falling in the SOFR Cut-off Period, "SOFR" shall be deemed to be the rate in respect of the SOFR Cut-off Date.

If the relevant Series of Covered Bonds become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms or Pricing Supplement, 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 Bond remains outstanding, be that determined on such date.

(3) SARON

If Screen Rate Determination – SARON is specified in the applicable Final Terms or Pricing Supplement as the manner in which the Rate of Interest is to be determined and the Reference Rate is Compounded Daily SARON, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SARON, plus or minus (as indicated in the applicable Final Terms or Pricing Supplement) the Margin (if any),all as determined by the Principal Paying Agent, with the resulting percentage rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards.

If the Issuer (in consultation with the Principal Paying Agent) determines at any time prior to the SARON Reference Time on any Zurich Business Day that a SARON Index Cessation Event and the related SARON Index Cessation Effective Date have occurred, the Issuer or the Replacement Rate Determination Agent (defined below) shall determine the SARON Replacement.

If there is no Recommended SARON Replacement Rate and the SNB Policy Rate for any Zurich Business Day with respect to which SARON is to be determined has not been published on such Zurich Business Day (the "**Affected Zurich Business Day**"), then the Issuer will appoint an agent (the "**Replacement Rate Determination Agent**") on or prior to the first Zurich Business Day in respect of which a SARON Index Cessation Event and related SARON Index Cessation Effective Date have occurred and for which the SNB Policy Rate has not been published. The Replacement Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the Specified Currency as appointed by the Issuer, (y) the Issuer (z) an affiliate of the Issuer or the Principal Paying Agent or (aa) such other entity that the Issuer determines to be competent to carry out such role.

The Replacement Rate Determination Agent will determine whether to use an alternative rate to SARON for the Affected Zurich Business Day and for all subsequent Zurich Business Days in the SARON Observation Period in which the Affected Zurich Business Day falls (the "**Affected SARON Observation Period**") and all SARON Observation Periods thereafter.

For the purposes of determining the Rate of Interest or Rate, as the case may be:

(i) the Replacement Rate Determination Agent shall determine: (A) the method for determining the SARON Replacement (including any alternative method for determining the SARON Replacement if such alternative rate is unavailable on the relevant Interest Determination Date), which method shall be consistent with industry-accepted practices for the SARON Replacement and (B) any adjustment factor as may be necessary to make the SARON Replacement comparable to the then-current SARON Benchmark consistent with industry-accepted practices for the SARON Replacement;

(ii) for the Affected Zurich Business Day and all subsequent Zurich Business Days in the affected SARON Observation Period and all SARON Observation Periods thereafter, references to SARON in the Terms and Conditions shall be deemed to be references to the SARON Replacement, including any alternative method for determining such rate and any adjustment factor as described in sub-clause (i) above;

(iii) the Replacement Rate Determination Agent may make SARON Replacement Conforming Changes with respect to the Covered Bonds from time to time;

(iv) any determination, decision or election that may be made by the Replacement Rate Determination Agent pursuant to this Condition 4(b)(ii)(D)(3) including any SARON Replacement Conforming Changes or of 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, in each case, solely with respect to the relevant Covered Bonds, will be conclusive and binding on the Issuer, the Covered Bondholders, the Bond Trustee and each Agent absent manifest error and will be made by the Replacement Rate Determination Agent acting in good faith and a commercially reasonable manner;

(v) to the extent that there is any inconsistency between this Condition and any other Terms and Conditions, this Condition 4(b)(ii)(D)(3) shall prevail with respect to any Covered Bonds for which the Rate of Interest or Rate is calculated in accordance with this Condition 4(b)(ii)(D)(3);

(vi) the Issuer may without holders consent determine that it is appropriate for a SARON Replacement to replace the then-current SARON Benchmark and apply any SARON Replacement Conforming Changes in respect of any subsequent SARON Index Cessation Event; and

(vii) where a SARON Index Cessation Event or details of it are announced prior to the relevant SARON Index Cessation Effective Date then the Replacement Rate Determination Agent may on or after such earlier announcement date give notice to Covered Bondholders in accordance with Condition 14 of the relevant changes which will be made to the Covered Bonds, provided that, such changes will only take effect as of the SARON Index Cessation Effective Date.

For the purposes of this Condition 4(b)(ii)(D)(3):

Compounded Daily SARON means, with respect to an Interest Period, the rate of return of a daily compound interest investment in Swiss Francs (with the daily overnight interest rate of the secured funding market for Swiss franc as the reference rate for the calculation of interest) calculated by the Principal Paying Agent on the relevant Interest Determination Date, in accordance with the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SARON_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

d means the number of calendar days in the relevant SARON Observation Period;

d_0 means the number of Zurich Business Days in the relevant SARON Observation Period;

i is a series of whole numbers from one to d_0, each representing the relevant Zurich Business Days in the relevant SARON Observation Period in chronological order from, and including, the first Zurich Business Day in such SARON Observation Period;

Lookback Period or **p** means, in respect of an Interest Period, the number of Zurich Business Days specified in the applicable Final Terms or Pricing Supplement (or, if no such number is specified, five Zurich Business Days);

n_i means, in respect of any Zurich Business Day i, the number of calendar days from (and including) such Zurich Business Day i to (but excluding) the first following Zurich Business Day;

Recommended SARON Adjustment Spread means with respect to any Recommended SARON Replacement Rate:

(a) the spread (which may be positive, negative or zero), formula or methodology for calculating such a spread, that the Recommending Body has recommended be applied to such Recommended SARON Replacement Rate in the case of fixed income securities with respect to which such Recommended SARON Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for the purposes of determining the applicable rate of interest thereon; or

(b) if the Recommending Body has not recommended such a spread, formula or methodology as described in clause (a) above to be applied to such Recommended SARON Replacement Rate, for the purposes of determining SARON, the Principal Paying Agent will determine the spread, acting in good faith and in a commercially reasonable manner, to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Covered Bondholders as a result of the replacement of the Swiss Average Rate Overnight with such Recommended SARON Replacement Rate. The Principal Paying Agent will take into account industry-accepted practices for fixed income securities with respect to which such Recommended SARON Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for the purposes of determining the applicable rate of interest thereon;

Recommended SARON Replacement Rate means the rate that has been recommended as the replacement for the Swiss Average Rate Overnight by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for the purposes of, among other things, considering proposals to reform reference interest rates in Switzerland (any such working group or committee, the "**Recommending Body**");

SARON means, in respect of any Zurich Business Day:

(a) the Swiss Average Rate Overnight for such Zurich Business Day published by the SARON Administrator on the Relevant Screen Page (or such replacement page which displays the information) at the SARON Reference Time;

(b) if such rate is not so published on the Relevant Screen Page at the SARON Reference Time on such Zurich Business Day, other than as a consequence of a SARON Index Cessation Event for which a SARON Index Cessation Effective Date has occurred at or prior to the SARON Reference Time on such Zurich Business Day, the Swiss Average Rate Overnight published on the Relevant Screen Page for the first preceding Zurich Business Day for which the Swiss Average Rate Overnight was published on the Relevant Screen Page; or

(c) if such rate is not so published on the Relevant Screen Page at the SARON Reference Time on such Zurich Business Day as a consequence of a SARON Index Cessation Event for which a SARON Index Cessation Effective Date has occurred at or prior to the SARON Reference Time on such Zurich Business Day, the SARON Replacement determined in accordance with this Condition 4(b)(ii)(D)(3);

SARON Administrator means SIX Swiss Exchange AG (or any successor administrator);

SARON Benchmark means, initially, Compounded Daily SARON, provided that, if a SARON Index Cessation Event and its related SARON Index Cessation Effective Date have occurred with respect to Compounded Daily SARON, or the then-current SARON Benchmark, then "SARON Benchmark" means the applicable SARON Replacement;

SARON Index Cessation Effective Date means the earliest of:

(a) in the case of the occurrence of a SARON Index Cessation Event described in clause (a) of the definition thereof, the date on which the SARON Administrator ceases to provide the Swiss Average Rate Overnight;

(b) in the case of the occurrence of a SARON Index Cessation Event described in sub-clause (b)(x) of the definition thereof, the latest of:

(i) the date of such statement or publication;

(ii) the date, if any, specified in such statement or publication as the date on which the Swiss Average Rate Overnight will no longer be representative; and

(iii) if a SARON Index Cessation Event described in sub-clause (b)(y) of the definition thereof has occurred on or prior to either or both dates specified in sub-clauses (x) and (y) of this clause (b), the date as of which the Swiss Average Overnight may no longer be used; and

(c) in the case of the occurrence of a SARON Index Cessation Event described in sub-clause (b)(y) of the definition thereof, the date as of which the Swiss Average Rate Overnight may no longer be used;

SARON Index Cessation Event means the occurrence of one or more of the following events:

(a) a public statement or publication of information by or on behalf of the SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased or will cease to provide the Swiss Average Rate Overnight permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Swiss Average Rate Overnight; or

(b) a public statement or publication of information by the SARON Administrator or any competent authority announcing that (x) the Swiss Average Rate Overnight is no longer representative or will as of a certain date no longer be representative, or (y) the Swiss Average Rate Overnight may no longer be used after a certain date, which statement, in the case of sub-clause (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives;

SARON Observation Period means, in respect of an Interest Period, the period from (and including) the date falling p Zurich Business Days prior to the first day of the relevant Interest Period and ending on (but excluding) the date which is p Zurich Business Days prior to the Interest Period End Date falling at the end of such Interest Period;

SARON Reference Time means, in respect of any Zurich Business Day, the close of trading on the trading platform of SIX Repo AG (or any successor thereto) on such Zurich Business Day, which is expected to be at or around 6 p.m. (Zurich time);

SARON Replacement means the first alternative set forth in the order below that can be determined by the Replacement Rate Determination Agent as of the SARON Index Cessation Effective Date:

(a) the Recommended SARON Replacement Rate for such Zurich Business Day, giving effect to the Recommended SARON Adjustment Spread, if any, published on such Zurich Business Day;

(b) the policy rate of the Swiss National Bank (the **SNB Policy Rate**) for such Zurich Business Day, giving effect to the SNB Adjustment Spread, if any; or

(c) the alternative rate of interest that has been selected by the Replacement Rate Determination Agent as the replacement for the then-current SARON Benchmark, being such industry-accepted successor rate or, if no such rate exists, it shall select such rate that it has determined is most comparable to the Swiss Average Rate Overnight;

SARON Replacement Conforming Changes means, with respect to any SARON Replacement, any technical, administrative or operational changes (including, but not

limited to, timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day convention, amendments to any other Condition and other administrative matters) that the Replacement Rate Determination Agent or Issuer, as the case may be, decides may be appropriate to reflect the adoption of such SARON Replacement in a manner substantially consistent with market practice (or, if the Replacement Rate Determination Agent determines that adoption of any portion of such market practice is not administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the SARON Replacement exists, in such other manner as the Replacement Rate Determination Agent or the Issuer, as the case may be, determines is reasonably necessary, acting in good faith and in a commercially reasonable manner) and having delivered a certificate from the Issuer to the Bond Trustee, signed by two Authorised Signatories (as defined in the Common Terms Deed) of the Issuer, confirming that the Issuer has made the relevant determinations in accordance with this Condition 4(b)(ii)(D) and attaching the proposed amendments to the Terms and Conditions. Neither the Principal Paying Agent or Bond Trustee is obliged to concur with the Issuer in respect of any changes or amendments as contemplated under this Condition if in its sole opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to it in these Conditions, the Agency Agreement or Bond Trust Deed (as applicable) in any way;

SARON$_i$ means, in respect of any Zurich Business Day i, SARON as provided by the SARON Administrator to, and published by, authorised distributors of SARON in respect of that day at the SARON Reference Time (or any amended publication time as specified by the SARON Administrator in the SARON Benchmark methodology) on such Zurich Business Day;

SNB Adjustment Spread means, with respect to the SNB Policy Rate, the spread to be applied to the SNB Policy Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Covered Bondholders as a result of the replacement of the Swiss Average Rate Overnight with the SNB Policy Rate for the purposes of determining SARON, which spread will be determined by the Issuer or the Replacement Rate Determination Agent, as the case maybe, acting in good faith and in a commercially reasonable manner, taking into account the historical median between the Swiss Average Rate Overnight and the SNB Policy Rate during the two year period ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event has occurred, the date on which the first of such events occurred); and

Zurich Business Day means any day (other than a Saturday and Sunday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Zurich.

(iii) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 10, 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(c) and the Bond Trust Deed.

(iv) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms or Pricing Supplement 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 provisions of paragraph (ii) above 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 or Pricing Supplement 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 of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period will be such Maximum Rate of Interest.

(v) Determination of Rate of Interest and calculation of Interest Amounts

The Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms or Pricing Supplement) and the Calculation Agent, in the case of Floating Rate Covered Bonds which are Australian Domestic Covered Bonds, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent (or such other party as aforesaid) and the Calculation Agent, in the case of Floating Rate Covered Bonds which are Australian Domestic Covered Bonds, will calculate the Interest Amount for the relevant Interest Period. Each Interest Amount will be calculated by applying the Rate of Interest to:

(A) in the case of Floating Rate Covered Bonds which are Australian Domestic Covered Bonds, the Principal Amount Outstanding of the Australian Domestic Covered Bond;

(B) in the case of Floating Rate Covered Bonds which are represented by a Global Covered Bond, the aggregate outstanding nominal amount of the Covered Bonds represented by such Global Covered Bond; or

(C) in the case of Floating Rate Covered Bonds in definitive form, 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 in definitive form 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, without any further rounding.

If "Interest Amounts Non-Adjusted" is specified in the applicable Final Terms or Pricing Supplement then notwithstanding the bringing forward or postponement (as applicable) of an Interest Payment Date as a result of the application of the Business Day Convention set out in the applicable Final Terms or Pricing Supplement, the Interest Amount in respect of the relevant Interest Period and each subsequent Interest Period will be calculated as stated above on the basis of the original Interest Payment Dates without adjustment in accordance with the applicable Business Day Convention.

(vi) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms or Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms or Pricing Supplement) by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms or Pricing Supplement) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms or Pricing Supplement), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(vii) *Notification of Rate of Interest and Interest Amounts*

(1) Except where the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being (i) "SONIA" or "SOFR" and the SONIA Averaging Method or SOFR Averaging Method (as applicable) is "Compounded Daily" or (ii) "Compounded Daily SARON", the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms or Pricing Supplement) and the Calculation Agent, in the case of Floating Rate Covered Bonds which are Australian Domestic Covered Bonds, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Bond Trustee and to any stock exchange (provided that the Issuer has provided the Principal Paying Agent and Calculation Agent with all necessary contact details) on which the relevant Floating Rate Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing and to be notified in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth Business Day (as defined in Condition 4(b)(i)). Each 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 Interest Period. Any such amendment or alternative arrangements will be promptly notified to the Bond Trustee and each stock exchange (provided that the Issuer has provided the Principal Paying Agent and Calculation Agent with all necessary contact details) on which the relevant Floating Rate Covered Bonds are for the time being listed or by which they have been admitted to listing and to the Covered Bondholders in accordance with Condition 14.

(2) Where the Reference Rate is specified in the applicable Final Terms or Pricing Supplement as being (i) "SONIA" or "SOFR" and the SONIA Averaging Method or SOFR Averaging Method (as applicable) is "Compounded Daily" or (ii) "Compounded Daily SARON", the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms or Pricing Supplement) will cause the Rate of Interest and each Interest Amount for each Interest Period 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 14 as soon as possible after their determination but in no event later than the second London Banking Day (as defined in Condition 4(b)(ii)(D)(1) 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 Interest Period. Any such amendment or alternative arrangements will promptly be notified to 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 14. *Determination or Calculation by Bond Trustee*

(viii) If for any reason at any relevant time after the Issue Date, the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Paying Agent or the Calculation Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph (ii) above or as otherwise specified in the applicable Final Terms or Pricing Supplement, and in each case in accordance with paragraph (v) above, the Issuer may appoint an agent to determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it thinks fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms or Pricing Supplement), it deems fair and reasonable in all the circumstances or, as the case may be, the Issuer may appoint an agent to calculate the Interest Amount(s) in such manner as it deems fair and reasonable. In order to make any such determination or calculation, the Issuer may appoint and rely on a determination or calculation by a calculation agent (which must be an investment bank or other suitable entity of international repute). Each such determination or calculation will be deemed to have been made by the Principal Paying Agent or the Calculation Agent, as the case may be.

(ix) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms or Pricing Supplement, as applicable) or the Calculation Agent or the Bond Trustee will (in the absence of wilful default, gross negligence or fraud) be binding on the Issuer, the CB Guarantor, the Principal Paying Agent, the Calculation Agent, the other Paying Agents, the Bond Trustee and all the Covered Bondholders and Couponholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Issuer, the CB Guarantor, the Covered Bondholders or the Couponholders will attach to the Principal Paying Agent (or such other party as aforesaid) or the Calculation Agent or the Bond Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) Accrual of interest

Interest (if any) will cease to accrue on each Covered Bond (or in the case of the redemption of part only of a 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 or default is otherwise made in the payment thereof, in which event interest will continue to accrue as provided in the Bond Trust Deed.

5. Benchmark discontinuation

(a) Benchmark Fallbacks

Notwithstanding the provisions in Condition 4 above (in the case of Floating Rate Covered Bonds other than where BBSW Rate Determination, AONIA Rate Determination, Screen Rate Determination – SOFR or Screen Rate Determination – SARON is specified in the applicable Final Terms or Pricing Supplement, in which case the provisions of this Condition 5 shall not apply), if the Issuer determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Interest Rate (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this Condition 5 shall apply:

(i) If there is a Successor Rate, then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Principal Paying Agent, the Calculation Agent and, in accordance with Condition 14, the Covered Bondholders of such Successor Rate and that Successor Rate shall (subject to adjustment as provided in Condition 5(b)) subsequently be used by the Calculation Agent in place of the Original Reference Rate to determine the relevant Interest Rate(s) (or the relevant component part(s) thereof) for all relevant future payments of interest on the Covered Bonds (subject to the further operation of this Condition 5).

(ii) If there is no Successor Rate but the Issuer (acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser) determines that there is an Alternative Rate, then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Principal Paying Agent, the Calculation Agent, and, in accordance with Condition 14, the Covered Bondholders of such Alternative Rate and that Alternative Rate shall (subject to adjustment as provided in Condition 5(b) subsequently be used in place of the Original Reference Rate to determine the relevant Interest Rate(s) (or the relevant component part(s) thereof)) for all relevant future payments of interest on the Covered Bonds (subject to the further operation of this Condition).

(iii) Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5, including (without limitation) any determination with respect to a tenor, rate or adjustment or of 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 on the Issuer, the Covered Bondholders, the Bond Trustee and each Agent 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 Transaction Documents, shall become effective without any requirement for the consent or approval of Covered Bondholders, Couponholders or any other party.

(b) Adjustment Spread

(i) If, in the case of a Successor Rate, an Adjustment Spread is formally recommended, or provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body, then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Calculation Agent and, in accordance with Condition 14, the Covered Bondholders of such Adjustment Spread and the Calculation Agent shall apply such Adjustment Spread to the Successor Rate for each subsequent determination of a relevant Interest Rate (or a component part thereof) by reference to such Successor Rate.

(ii) If, in the case of a Successor Rate where no such Adjustment Spread is formally recommended, or provided as an option by any Relevant Nominating Body, or in the case of an Alternative Rate, the Issuer (acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser) determines that there is an Adjustment Spread in customary market usage in the international debt capital markets for transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be), then the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Calculation Agent, the Bond Trustee and the Principal Paying Agent and, in accordance with Condition 14, the Covered Bondholders of such Adjustment Spread and the Calculation Agent shall apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Interest Rate (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iii) If no such recommendation or option has been made (or made available) by any Relevant Nominating Body, or the Issuer so determines that there is no such Adjustment Spread in customary market usage in the international debt capital markets and the Issuer further determines (acting in good faith, in a commercially reasonable manner and following consultation with an Independent Adviser) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Adjustment Spread shall be:

(1) the Adjustment Spread determined by the Issuer (acting in good faith, in a commercially reasonable manner and following consultation with an Independent Adviser) as being the Adjustment Spread recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(2) if there is no such industry standard recognised or acknowledged, such Adjustment Spread as the Issuer (acting in good faith, in a commercially reasonable manner and following consultation with an Independent Adviser) determines to be appropriate having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Covered Bondholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

Following any such determination of the Adjustment Spread, the Issuer shall, prior to the date which is five Business Days prior to the relevant Interest Determination Date, notify the Calculation Agent, the Principal Paying Agent and the Bond Trustee and, in accordance with Condition 14, the Covered Bondholders of such Adjustment Spread and the Calculation Agent shall apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant

Interest Rate (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(c) Benchmark Amendments

(i) If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5 and the Issuer (acting in good faith and in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser) determines in its discretion (A) that amendments to these Conditions, the Bond Trust Deed, the Australian Agency Agreement and/or the Offshore Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the Benchmark Amendments) and (B) the terms of the Benchmark Amendments, then, subject to the Issuer having to give notice thereof to the Covered Bondholders in accordance with Condition 14, the Issuer and the Calculation Agent, the Principal Paying Agent and the Bond Trustee shall agree without any requirement for the consent or approval of Covered Bondholders to the necessary modifications to these Conditions, the Australian Agency Agreement and/or the Offshore Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice. Agents shall not be obliged to consent to any modification which, in the sole opinion of the Agents would have the effect of (A) exposing the Agents to any liability against which they have not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Agents in the Australian Agency Agreement, the Offshore Agency Agreement and/or these Conditions.

(ii) Notwithstanding any other provision of this Condition 5, if in the Principal Paying Agent or the Calculation Agent's opinion, there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 5 the Principal Paying Agent or the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Principal Paying Agent or the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Principal Paying Agent or the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(iii) In connection with any such modifications in accordance with this Condition 5(c), 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) Any Benchmark Amendments determined under this Condition 5(c) shall be notified promptly (not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Calculation Agent, the Principal Paying Agent and the Bond Trustee and, in accordance with Condition 14, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Amendments.

(d) Independent Advisor

(i) In the event the Issuer is to consult with an Independent Adviser in connection with any determination to be made by the Issuer pursuant to this Condition 5, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

(ii) An Independent Adviser appointed pursuant to this Condition 5 shall act in good faith and in a commercially reasonable manner and (in the absence of fraud or willful default) shall have no liability whatsoever to the Issuer or the Covered Bondholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 5 or otherwise in connection with the Covered Bonds.

(iii) If the Issuer consults with an Independent Adviser as to whether there is an Alternative Rate and/or whether any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of an Independent Adviser

in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of default or bad faith) the Issuer shall have no liability whatsoever to the Covered Bondholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination.

(iv) No Independent Adviser appointed in connection with the Covered Bonds (acting in such capacity), shall have any relationship of agency or trust with the Covered Bondholders.

(e) Survival of Original Reference Rate provisions

Without prejudice to the obligations of the Issuer under this Condition 5, the Original Reference Rate and the fallback provisions provided for in Condition 4, the applicable Final Terms or Pricing Supplement will continue to apply unless and until the Issuer has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 5.

6. Payments

(a) Method of payment

Subject as provided below:

(i) payments in a Specified Currency other than Euro will be made by credit or electronic transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian Dollars, will be Sydney); and

(ii) payments in Euro will be made by credit or electronic transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee or.

Payments will be subject in all cases to (A) any fiscal or other laws and regulations applicable thereto in the place of payment but without prejudice to the provisions of Condition 8 and (B) any deduction or withholding made under or in connection with, or in order to ensure compliance with, FATCA. References to Specified Currency will include any successor currency under applicable law.

(b) Presentation of Bearer Definitive Covered Bonds and Coupons

Payments of principal and interest (if any) in respect of Bearer Definitive Covered Bonds will (subject as provided below) be made in the manner provided in Condition 6(a) above only against presentation and surrender of Bearer Definitive Covered Bonds or Coupons, as the case may be, at any specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Covered Bonds in definitive bearer form (other than Long Maturity Covered Bonds) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression will include Coupons falling to be issued on exchange of matured Talons), failing which an amount equal to the face value of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon amounts in respect of any Fixed Rate Covered Bond in definitive bearer form becoming due and repayable by the Issuer (in the absence of a Notice to Pay) or the CB Guarantor under the Covered Bond Guarantee prior to its Final Maturity Date (or, as the case may be, Extended Due for Payment Date), all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the due date for redemption of any Floating Rate Covered Bond or Long Maturity Covered Bond in definitive bearer form, all unmatured Coupons and Talons (if any) relating thereto (whether

or not attached) will become void and no payment or, as the case may be, exchange for further Coupons will be made in respect thereof. If the date for redemption of any Bearer Definitive Covered Bond is not an Interest Payment Date, interest (if any) accrued in respect of such Covered Bond from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date will be payable only against surrender of the relevant Bearer Definitive Covered Bond.

(c) Payments in respect of Bearer Global Covered Bonds

Payments of principal and interest (if any) in respect of Covered Bonds represented by any Bearer Global Covered Bond will (subject as provided below) be made in the manner specified above in relation to Bearer Definitive Covered Bonds and otherwise in the manner specified in the relevant Global Covered Bond (against presentation or surrender, as the case may be, of such Global Covered Bond at the specified office of any Paying Agent outside the United States). On the occasion of each payment, a record of such payment made on such Bearer Global Covered Bond, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Covered Bond by the Paying Agent and such record will be *prima facie* evidence that the payment in question has been made.

(d) Payments in respect of Registered Covered Bonds

Payments of principal in respect of each Registered Covered Bond (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Covered Bond at the specified office of the relevant Registrar or the Paying Agents. Such payments will be made by electronic transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Covered Bond appearing in the Register of holders of the Registered Covered Bonds maintained by the relevant Registrar at the close of business on the third Business Day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date.

Payments of interest in respect of each Registered Covered Bond (whether or not in global form) will be made by an electronic transfer to an account in the relevant Specified Currency maintained by the payee (i) in the case of Global Covered Bonds in registered form, the Business Day prior to the relevant due date and (ii) in the case of Registered Definitive Covered Bonds, the Record Date. Payment of the interest due in respect of each Registered Covered Bond on redemption will be made in the same manner as payment of the principal in respect of such Registered Covered Bond.

None of the Issuer, the CB Guarantor, the Bond Trustee or 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.

(e) Payments in respect of Australian Domestic Covered Bonds

Payments of principal in respect of each Australian Domestic Covered Bond will be made to the person who is the holder of the Australian Domestic Covered Bond at 10.00 am in the place where the Australian Register in relation to the Australian Domestic Covered Bonds is maintained on the due date.

Payments of interest in respect of each Australian Domestic Covered Bond will be made to the person who is the holder of the Australian Domestic Covered Bond at 4.00 pm in the place where the Australian Register in relation to the Australian Domestic Covered Bonds is maintained on the Australian Record Date.

Payment of the interest due in respect of each Australian Domestic Covered Bond on the redemption will be made in the same manner as payment of principal in respect of each Australian Domestic Covered Bond.

If the Australian Domestic Covered Bond is lodged in the Austraclear System, payments in respect of the Australian Domestic Covered Bonds will be by transfer to the relevant account of the holder of the beneficial interest in the Australian Domestic Covered Bond in accordance with the Austraclear Regulations.

If the Australian Domestic Covered Bond is not lodged in the Austraclear System, payments in respect of the Australian Domestic Covered Bonds will be made by crediting on the relevant due date, the amount due to the account previously notified by the holder of the Australian Domestic Covered Bond to the Issuer and the Australian Agent. If the holder of the Australian Domestic Covered Bond has not notified the Issuer and the Australian Agent of an account to which payments to it must be made by close of business in the place where the Australian Register is maintained on the Australian Record Date, the payments will be made by a cheque in Australian Dollars and mailed by uninsured prepaid ordinary mail on the AU Business Day immediately before the relevant due date to the holder (or the first named of joint holders) of the Australian Domestic Covered Bond at the holder's address shown in the Australian Register on the Australian Record Date and at the holder's risk.

No payment of interest in respect of an Australian Domestic Covered Bond will be made to an address in the United States or transferred to an account maintained by the holder of the Australian Domestic Covered Bond in the United States.

Holders of Australian Domestic Covered Bonds will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Australian Domestic Covered Bond as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses will be charged to such holders by the Australian Agent in respect of any payments of principal or interest in respect of the Australian Domestic Covered Bonds.

None of the Issuer, the CB Guarantor or the Bond Trustee 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 Australian Domestic Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(f) General provisions applicable to payments

The holder of a Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) will be the only person entitled to receive payments in respect of Covered Bonds represented by such Global Covered Bond and the Issuer or, as the case may be, the CB Guarantor will be discharged by payment to, or to the order of, the holder of such 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 as the beneficial holder of a particular nominal amount of Covered Bonds represented by such Global Covered Bond must look solely to Euroclear or Clearstream, as the case may be, for his share of each payment so made by the Issuer or the CB Guarantor to, or to the order of, the holder of such Global Covered Bond (or the Bond Trustee, as the case may be). No person other than the holder of the relevant Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) will have any claim against the Issuer or the CB Guarantor in respect of any payments due on that Global Covered Bond.

Notwithstanding the foregoing provisions of this Condition, payments of principal and/or interest in U.S. dollars in respect of the Bearer Covered Bonds will only be made at the specified office of a Paying Agent in the United States 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 in U.S. dollars 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 principal and interest at 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 without involving, in the opinion of the Issuer and the Trust Manager, adverse tax consequences to the Issuer or the CB Guarantor.

(g) Payment Day

If the date for payment of any amount in respect of any Covered Bond or Coupon is not a Payment Day (as defined below), the holder thereof will not be entitled to payment of the relevant amount due until the next following Payment Day and will not be entitled to any interest or other sum in

respect of any such delay. In this Condition (unless otherwise specified in the applicable Final Terms or Pricing Supplement), **Payment Day** means any day which (subject to Condition 9) is:

(i) 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:

(A) in the case of Covered Bonds in definitive form only, the relevant place of presentation;

(B) Adelaide, Melbourne and Sydney and, in the case of Covered Bonds that are not Australian Domestic Covered Bonds, London; and

(C) any Additional Financial Centre specified in the applicable Final Terms or Pricing Supplement; and

(ii) 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 Condition 6(g)(i) and which, if the Specified Currency is Australian Dollars, will be Sydney) or (2) in relation to any sum payable in Euro, a day on which T2 is open.

(h) 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:

(i) any additional amounts which may be payable with respect to principal under Condition 8 or under any undertakings or covenants given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed;

(ii) the Final Redemption Amount of the Covered Bonds;

(iii) the Early Redemption Amount of the Covered Bonds;

(iv) the Optional Redemption Amount(s) (if any) of the Covered Bonds;

(v) any premium and any other amounts (other than interest) which may be payable under or in respect of the Covered Bonds; and

(vi) 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 8 or under any undertakings given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed.

7. Redemption and Purchase

(a) Final redemption

Unless previously redeemed in full or purchased and cancelled as specified below, each Covered Bond will be redeemed by the Issuer at the Final Redemption Amount in the relevant Specified Currency on the Final Maturity Date (as specified in the applicable Final Terms or Pricing Supplement).

Without prejudice to Condition 10, if the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the applicable Final Terms or Pricing Supplement (or after expiry of the grace period set out in Condition 10(a)(i)) and, following the service of a Notice to Pay on the CB Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Trust Manager determines that the CB 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 CB Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 10(a)(i)) under the terms of the Covered Bond Guarantee and (b) the Extension Determination Date, then (subject as provided below) payment of the unpaid amount in respect of that Series of Covered Bonds by the CB Guarantor under the Covered Bond Guarantee will be deferred until the Extended Due for Payment Date. In such circumstances, the Trust Manager must direct the CB Guarantor to, and upon receiving such direction the CB Guarantor must, on the earlier of (a) and (b) above, 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) rateably in part payment of an amount equal to the Final Redemption Amount of each Covered Bond of the relevant Series of Covered Bonds and will pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Covered Bond on such date. The obligation of the CB 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 CB Guarantor will not constitute a CBG Event of Default, provided that 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 CB Guarantor (at the direction of the Trust Manager) on any Interest Payment Date thereafter up to (and including) the Extended Due for Payment Date.

The Issuer will confirm to the Principal Paying Agent or the Australian Agent (in the case of Australian Domestic Covered Bonds) as soon as reasonably practicable and in any event at least four 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 that Series of Covered Bonds on that Final Maturity Date or on the Extension Determination Date in respect of that Series of Covered Bonds 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 Principal Paying Agent or the Australian Agent (as the case may be) will not affect the validity or effectiveness of the extension.

The Trust Manager will notify the relevant Covered Bondholders (in accordance with Condition 14), the Rating Agencies, the Bond Trustee, the Security Trustee, the Principal Paying Agent and the relevant Registrar or the Australian Agent (in the case of Registered Covered Bonds or Australian Domestic Covered Bonds, as applicable) as soon as reasonably practicable, and in any event at least one Business Day prior to the earlier of (a) the date which falls two Business Days after service of a Notice to Pay on the CB Guarantor in the circumstances described above or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 10(a)(i)) under the terms of the Covered Bond Guarantee and (b) the Extension Determination Date, of any determination by the Trust Manager in accordance with Condition 7(a)(i) of the inability of the CB 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 Trust Manager to notify such parties will not affect the validity or effectiveness of any extension in such circumstances nor give rise to any rights in any such party.

Any discharge of the obligations of the Issuer as a result of the payment of Excess Proceeds to the Bond Trustee will be disregarded for the purposes of determining the amounts to be paid by the CB Guarantor under the Covered Bond Guarantee in connection with this Condition 7(a).

(b) Redemption for taxation reasons

The Covered Bonds may be redeemed at the option of the Issuer in whole, or in part, at any time (if this Covered Bond is not a Floating Rate Covered Bond) or on any Interest Payment Date (if this Covered Bond is a Floating Rate Covered Bond), on giving not less than 30 nor more than 60 days' notice to the Bond Trustee, the Principal Paying Agent and the Australian Agent (in the case of Australian Domestic Covered Bonds) and, in accordance with Condition 14, the Covered Bondholders (which notice will be irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that, on the occasion of the next Interest Payment Date, the Issuer is or will be required to pay additional amounts as provided or referred to in Condition 8. Covered Bonds redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in Condition 7(f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Final Terms or Pricing Supplement, the Issuer may, having (unless otherwise specified, in the applicable Final Terms or Pricing Supplement) given not less than 30 nor more than 60 days' notice to the Bond Trustee, (other than in the case of the redemption of Registered Covered Bonds) the Principal Paying Agent, (in the case of the redemption of Registered Covered Bonds or Australian Domestic Covered Bonds) the relevant Registrar or the Australian Agent (as applicable) and, in accordance with Condition 14, the Covered Bondholders (which notice will be irrevocable) redeem all or some only (as specified in the applicable Final Terms or Pricing Supplement) of the Covered Bonds then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in the applicable Final Terms or Pricing Supplement together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). Upon expiry of such notice, the Issuer will be bound to redeem the Covered Bonds accordingly. In the event of a redemption of some only of the Covered Bonds, such redemption must be for an amount being the Minimum Redemption Amount (as specified in the applicable Final Terms or Pricing Supplement) or a Maximum Redemption Amount (as specified in the applicable Final Terms or Pricing Supplement). In the case of a partial redemption of Covered Bonds, the Redeemed Covered Bonds will be selected:

(i) in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, individually by lot;

(ii) in the case of Redeemed Covered Bonds represented by a Global Covered Bond, in accordance with the rules of Euroclear and/or Clearstream (to be reflected in the records of Euroclear and Clearstream 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 or Pricing Supplement); and

(iii) in the case of Redeemed Covered Bonds which are Australian Domestic Covered Bonds, on the basis that the Redeemed Covered Bonds must be a multiple of their Specified Denominations,

in each case, not more than 60 days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**). In the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, a list of the serial numbers of such Redeemed Covered Bonds will be notified in accordance with Condition 14 not less than 30 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Covered Bonds represented by Definitive Covered Bonds will bear the same proportion to the aggregate nominal amount of all Redeemed Covered Bonds as the aggregate nominal amount of Definitive Covered Bonds outstanding bears to the aggregate nominal amount of the Covered Bonds outstanding, in each case on the Selection Dates, provided that such first mentioned nominal amount will, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Covered Bonds represented by a Global Covered Bond will be equal to the balance of the Redeemed Covered Bonds. No exchange of the relevant Global Covered Bond will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 7(c) and notice to that effect will be given by the Issuer to the Covered Bondholders in accordance with Condition 14 at least 30 days prior to the Selection Date.

(d) Redemption at the option of the Covered Bondholders (Investor Put)

If Investor Put is specified in the applicable Final Terms or Pricing Supplement, upon the holder of any Covered Bond giving the Issuer not less than 30 nor more than 60 days' written notice as specified in the applicable Final Terms or Pricing Supplement the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms or Pricing Supplement, such Covered Bond on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms or Pricing Supplement.

To exercise the right to require redemption of a Covered Bond the holder thereof must, if the Covered Bond is in definitive form and held outside Euroclear and Clearstream, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a Put Notice and in which the holder must specify a bank account

to which payment is to be made under this Condition 7(d) accompanied by this Covered Bond. If this Covered Bond is represented by a Global Covered Bond held through Euroclear or Clearstream to exercise the right to require redemption of this Covered Bond the holder of this Covered Bond must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream (which may include notice being given on his instruction by Euroclear or Clearstream, or any common depository, for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream from time to time and, if this Covered Bond is represented by a Global Covered Bond, at the same time present or procure the presentation of the relevant Global Covered Bond to the Principal Paying Agent for notation accordingly. If this Covered Bond is an Australian Domestic Covered Bond lodged in the Austraclear System, to exercise the right to require redemption of this Covered Bond the holder of the beneficial interest in this Covered Bond must, within the notice period, give notice to the Australian Agent of such exercise in accordance with the Austraclear Regulations. If this Covered Bond is an Australian Domestic Covered Bond held outside of the Austraclear System, to exercise a right to require redemption of this Covered Bondholder must, within the notice period, give notice to the Issuer and the Australian Agent of such exercise in a form acceptable to the Australian Agent together with any evidence the Australian Agent 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 Euroclear and Clearstream or the Austraclear System, given by a holder of any Covered Bond pursuant to this Condition 7(d) will be irrevocable except where, prior to the due date of redemption, an Issuer Event of Default or a CBG 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 10, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 7(d) and instead request or direct the Bond Trustee to declare such Covered Bond forthwith due and payable pursuant to Condition 10.

(e) 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 30 nor more than 60 days' notice as specified in the applicable Final Terms or Pricing Supplement to the Bond Trustee, the Principal Paying Agents, the Registrars and the Australian Agent (in the case of Australian Domestic Covered Bonds) and, in accordance with Condition 14, all the Covered Bondholders (which notice will be 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 to make, fund or remain outstanding an Advance made or to be made by it under the Intercompany Loan Agreement, 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 7(e) will be redeemed at their Early Redemption Amount referred to in Condition 7(f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(f) Early Redemption Amount

For the purpose of Conditions 6(b) and 6(e) above and Condition 10, each Covered Bond will be redeemed at its Early Redemption Amount calculated as follows:

(i) in the case of a Covered Bond with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or

(ii) in the case of a Covered Bond with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Covered Bond is denominated, at the amount specified in, the applicable Final Terms or Pricing Supplement or, if no such amount is so specified in the applicable Final Terms or Pricing Supplement, at its nominal amount.

(g) Purchases

The Issuer or any of its subsidiaries or the CB Guarantor (acting at the direction of the Trust Manager) may at any time purchase or otherwise acquire Covered Bonds (provided that, in the case of Bearer Definitive Covered Bonds, Coupons and Talons appertaining thereto are attached thereto or surrendered therewith) at any price and in any manner. 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, in respect of Covered Bonds other than Australian Domestic Covered Bonds, at the option of the Issuer or the relevant subsidiary, surrendered to the relevant Registrar and/or the relevant Paying Agent, for cancellation (except that any Covered Bonds (other than Australian Domestic Covered Bonds) purchased or otherwise acquired by the CB Guarantor must immediately be surrendered to the relevant Registrar and/or to any Paying Agent for cancellation).

(h) Cancellation

All Covered Bonds (other than Australian Domestic Covered Bonds) which are redeemed in full will forthwith be cancelled (together with, in the case of Bearer Definitive Covered Bonds, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Covered Bonds so cancelled and any Covered Bonds purchased and surrendered for cancellation pursuant to Condition 7(g) above and cancelled (together with, in the case of Bearer Definitive Covered Bonds, Coupons and Talons cancelled therewith) will be forwarded to the Principal Paying Agent and cannot be held, reissued or resold.

(i) Certification on redemption under Condition 7(b) and 7(e)

Prior to the publication of any notice of redemption pursuant to Condition 7(b) or 7(e), the Issuer will deliver to the Bond Trustee a certificate signed by two Authorised Signatories (as defined in the Common Terms Deed) of the Issuer 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 so to redeem have occurred and the Bond Trustee will be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it will be conclusive and binding on all holders of the Covered Bonds and Couponholders.

8. Taxation

All payments of principal and interest (if any) in respect of the Covered Bonds and Coupons by or on behalf of the Issuer and all payments of Guaranteed Amounts by or on behalf of the CB Guarantor, as the case may be, must be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, collected 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 made under or in connection with, or in order to ensure compliance with, FATCA, or is required by law or regulation or administrative practice.

If the applicable Final Terms or Pricing Supplement indicate that tax-gross up by the Issuer in accordance with this Condition 8 is applicable, in the event of such a withholding or deduction being made by the Issuer in respect of a payment made by it, the Issuer will pay such additional amounts as will be necessary in order that the net amounts received by the Covered Bondholders or Couponholders after such withholding or deduction will equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Covered Bonds or Coupons, as the case may be, in the absence of such withholding or deduction; except that the foregoing obligation to pay additional amounts will not apply to any such tax, assessment, governmental charge or duty:

(a) which is payable otherwise than by deduction or withholding from payments of principal and interest on such Covered Bond or Coupon;

(b) which is payable by reason of the Covered Bondholder or Couponholder or beneficial owner (or any one of them in case of principal or interest derived by two or more persons jointly) having, or having had, some personal or business connection with Australia (other than mere ownership of or receipt of payment under the Covered Bonds or Coupon or the fact that payments are, or for the purposes of taxation are deemed to be, from sources in, or secured in Australia);

(c) which could lawfully be avoided (but has not been so avoided) by a Covered Bondholder or Couponholder or beneficial owner complying with any statutory, certification,

identification or other reporting requirement or by making a declaration of non-residence or other claim or filing for exemption;

(d) which is payable by reason of a change in law that becomes effective more than thirty days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6(g));

(e) which is an estate, inheritance, gift, sales, transfer, personal property, stamp duty or similar tax, assessment or other charge;

(f) which is payable by reason of the Covered Bondholder or Couponholder or beneficial owner of such Covered Bond or Coupon being an associate of the Issuer or the CB Guarantor for the purposes of section 128F of the Tax Act;

(g) which is imposed or withheld as a consequence of a determination having been made under Part IVA of the Tax Act (or any modification or equivalent thereof) by the Commissioner of Taxation of the Commonwealth of Australia that withholding tax is payable in respect of a payment in circumstances where the payment would not have been subject to withholding tax in the absence of the scheme which was the subject of that determination;

(h) with respect to any payment of principal of or interest (including original issue discount) on the Covered Bonds and Coupons by the Issuer to any Covered Bondholder or Couponholder who is a fiduciary or partnership or other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or any other beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the holder of such Covered Bonds and Coupons;

(i) presented for payment or held by, or by a third party on behalf of, a Covered Bondholder or Couponholder who is a resident of Australia or a non-resident who is engaged in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia (the expressions "resident of Australia", "non-resident", and "permanent establishment" having the meanings given to them by the Tax Act) if, and to the extent that section 126 of the Tax Act (or any equivalent provision) requires the Issuer to pay income tax in respect of interest payable on such Covered Bond or Coupon and the income tax would not be payable were the holder not a "resident of Australia" or "non-resident" so engaged in carrying on business;

(j) for or on account of any amounts paid or deducted in compliance with a notice or direction which is received by the Issuer under section 260-5 of Schedule 1 to the Taxation Administration Act 1953, section 255 of the Tax Act, or any other analogous provisions; or

(k) any combination of (a) through (j) above.

Notwithstanding any other provision of these Conditions, in no event will the Issuer or CB Guarantor be required to pay any additional amounts in respect of the Covered Bonds or Coupons for, or on account of, any withholding or deduction made under or in connection with, or in order to ensure compliance with, FATCA.

Promptly upon request, each Covered Bondholder or Couponholder shall provide to the Issuer (or other person responsible for FATCA reporting or delivery of information under FATCA) with information sufficient to allow the Issuer to perform its FATCA reporting obligations, including properly completed and signed tax certificates:

(a) IRS Form W-9 (or applicable successor form) in the case of a Covered Bondholder that is a "United States Person" within the meaning of the United States Internal Revenue Code of 1986; or

(b) the appropriate IRS Form W-8 (or applicable successor form) in the case of a Covered Bondholder that is not a "United States Person" within the meaning of the United States Internal Revenue Code of 1986.

If the Trust Manager determines that the Issuer or CB Guarantor has made a "foreign passthru payment" (as that term is or will at the relevant time be defined under FATCA), the Trust Manager shall provide notice of such payment to the Issuer or CB Guarantor (as applicable), and, to the extent reasonably requested by the Issuer or CB Guarantor, the Trust Manager shall provide the Issuer or CB Guarantor with any non-confidential information provided by Covered Bondholders in its possession that would assist the Issuer or CB Guarantor in determining whether or not, and to what extent, FATCA Withholding is applicable to such payment on the Covered Bonds or Coupons.

If the applicable Final Terms or Pricing Supplement indicate that tax gross-up by the Issuer in accordance with this Condition 8 is not applicable or do not indicate that Condition 8 is applicable, if any payments of principal and interest (if any) in respect of the Covered Bonds and Coupons by or on behalf of the Issuer are or become subject to any withholding or deduction, on account of any taxes, duties or other charges of whatever nature, imposed or levied by or on behalf of Australia or by any other authority having power to tax, the Issuer will not be obliged to pay any additional amount as a consequence.

If any payments made by the CB Guarantor under the Covered Bond Guarantee are or become subject to any withholding or deduction, on account of any taxes, duties or other charges of whatever nature, imposed or levied by or on behalf of Australia or by any other authority having power to tax, the CB Guarantor will not be obliged to pay any additional amount as a consequence.

9. Prescription

The Covered Bonds (other than Australian Domestic Covered Bonds), whether in bearer or registered form and Coupons will become void unless presented for payment within ten years (in the case of principal) and five years (in the case of interest) in each case from the Relevant Date therefor, subject in each case to the provisions of Condition 6.

There will 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 9 or Condition 6 or any Talon which would be void pursuant to Condition 6.

10. Events of Default and Enforcement

(a) 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 (as defined in Condition 15) referred to in this Condition 10(a) 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 Covered Bond Swap Rate) or if so directed by an Extraordinary Resolution of the Covered Bondholders will, (but in the case of the happening of any of the events mentioned in subparagraph (ii), (iii), (iv), (v), (vii) or (viii) inclusive below, only if the Bond Trustee will have 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 (copied to the CB Guarantor) that as against the Issuer (but not, for the avoidance of doubt, as against the CB Guarantor under the Covered Bond Guarantee) each Covered Bond of each Series is, and each such Covered Bond will, unless such event will have 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**) will occur and be continuing:

(i) the Issuer fails to pay any principal or any interest in respect of the Covered Bonds within 14 days of the relevant due date; or

(ii) the Issuer defaults in performance or observance of or compliance with any of its other obligations in respect of the Covered Bonds or the Bond Trust Deed, which default is in the opinion of the Bond Trustee incapable of remedy or, if in the opinion of the Bond Trustee is capable of remedy, is not in the opinion of the Bond Trustee remedied within 30 days after written notice requiring such default to be remedied and indicating that this

provision may be invoked if it is not so remedied shall have been given to the Issuer by the Bond Trustee; or

(iii) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Covered Bonds or any Transaction Document; or

(iv) a distress, attachment, execution or other legal process is levied, enforced or sued out against or on the Issuer or against all or a material part of the assets of the Issuer and is not stayed, satisfied or discharged within 21 days or other contested in *bona fide* proceedings; or

(v) the Issuer (A) becomes insolvent, is unable to pay its debts as they fall due or fails to comply with a statutory demand (which is still in effect) under section 459F of the Corporations Act, or (B) stops or suspends or threatens to stop or suspend payment of all or a material part of its debts or appoints an administrator under section 436A of the Corporations Act, or (C) begins negotiations or takes any proceeding or other step with a view to re-adjustment, rescheduling or deferral of all its indebtedness (or any part of its indebtedness which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or a moratorium is agreed or declared in respect of or affecting indebtedness of the Issuer, except in any case referred to in (C) above for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by the Bond Trustee or by an Extraordinary Resolution of the Covered Bondholders; or

(vi) the occurrence of a Winding Up of the Issuer, except in any such case for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved in writing by the Bond Trustee or by an Extraordinary Resolution of the Covered Bondholders or an administrator is appointed to the Issuer by a provisional liquidator of the Issuer under section 436B of the Corporations Act; or

(vii) any present or future Security on or over the assets of the Issuer becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar officer which is not vacated or discharged within 14 days) is taken to enforce that Security by reason of a default or event of default (howsoever described) having occurred; or

(viii) any event occurs which, under the laws of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in this Condition 10(a); or

(ix) an Asset Coverage Test Breach Notice has been served and has not been revoked (in accordance with the terms of the Transaction Documents) on the next following Determination Date after service of such Asset Coverage Test Breach Notice on the CB Guarantor.

Notwithstanding any other provision of this Condition 10(a), 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 agreement or declaration of any moratorium with respect to, or the taking of any proceeding in respect of, any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (as defined by APRA from time to time).

Upon the Covered Bonds becoming immediately due and repayable against the Issuer pursuant to this Condition 10(a), the Bond Trustee will forthwith serve a notice to pay (the **Notice to Pay**) on the CB Guarantor (copied to the Trust Manager and the Security Trustee) pursuant to the Covered Bond Guarantee and the CB Guarantor will be required to make payments of Guaranteed Amounts when the same will 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 10(c).

The Bond Trust Deed provides that all moneys received by the Bond Trustee following the occurrence of an Issuer Event of Default and the delivery of an Issuer Acceleration Notice and

Notice to Pay, from the Issuer or any receiver, manager, liquidator, administrator, controller, statutory manager or other similar official appointed in relation to the Issuer following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice and a Notice to Pay (the **Excess Proceeds**), must be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the CB Guarantor, as soon as practicable, and must be held by the CB Guarantor in the GI Account and the Excess Proceeds must thereafter form part of the Collateral and must be used by the CB Guarantor in the same manner as all other moneys from time to time standing to the credit of the GI Account pursuant to the Security Trust Deed. 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 (as applicable and to the extent of the amount so received and subject to restitution of the same if such Excess Proceeds will be required to be repaid by the CB Guarantor) (but will be deemed not to have done so for the purposes of subrogation rights of the CB Guarantor contemplated by the Bond Trust Deed). However, the obligations of the CB 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 CBG 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 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 CB Guarantor for application in the manner as described above.

(b) CBG 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 10(b) 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 Covered Bond Swap Rate) or if so directed by an Extraordinary Resolution of all the Covered Bondholders will, (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 (ii) below, only if the Bond Trustee will have certified in writing to the Issuer and the CB Guarantor that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series, give notice (the **CBG Acceleration Notice**) in writing to the Issuer and to the CB Guarantor (copied to the Trust Manager), 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 the service of an Issuer Acceleration Notice in accordance with Condition 10(a)), thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest and (y) all amounts payable by the CB 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 **CBG Event of Default**) will occur and be continuing:

(i) default is made by the CB 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 under Condition 7(a) where the CB Guarantor will be required to make payments of Guaranteed Amounts which are Due for Payment on the dates specified therein; or

(ii) default is made by the CB 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 Trust Deed or any other Transaction Document to which the CB Guarantor is a party (other than the Programme Agreement or any Subscription 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 14 days after written notice thereof has been given by the Bond Trustee to the CB Guarantor requiring the same to be remedied; or

(iii) an Insolvency Event occurs in respect of the CB Guarantor in its personal capacity (but not in its capacity as trustee of any trust) and the CB Guarantor is not replaced as trustee of the Trust by the Trust Manager in accordance with the Trust Deed within 60 days of the Insolvency Event occurring; or

(iv) a failure to satisfy the Amortisation Test (as set out in the Participation Deed) on any Determination Date following an Issuer Event of Default; or

(iv) the Covered Bond Guarantee is not, or is claimed by the CB Guarantor not to be, in full force and effect.

Following the occurrence of a CBG Event of Default and service of a CBG Acceleration Notice on the CB Guarantor 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 10(c) and the Covered Bondholders will have a claim against the CB 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 8) as provided in the Bond Trust Deed in respect of each Covered Bond.

(c) 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 CBG Acceleration Notice (in the case of the CB Guarantor) take such proceedings or other action or step as it may think fit against or in relation to the Issuer and/or the CB 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 Transaction 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 Transaction 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 Covered Bond Swap Rate as stated above) 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 Covered Bond Swap Rate as stated above) 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 will only have regard to the interests of the Covered Bondholders of all Series equally and will not have regard to the interests of any other Secured Creditors.

The Bond Trustee may at any time, following service of a CBG Acceleration Notice at its discretion and without further notice, direct or instruct the Security Trustee to take such steps or proceedings against the CB Guarantor and/or any other person as it may think fit to enforce the provisions of the Security Trust Deed or any other Transaction Document and may, at any time after the Security has become enforceable, direct and instruct the Security Trustee to take such steps as it may think fit to enforce the Security.

In the event that the Bond Trustee is:

(i) requested by the Security Trustee; or

(ii) required by the holders of the Covered Bonds,

to provide the Security Trustee with instructions, the Bond Trustee will do so (save where expressly provided otherwise):

(A) in the case of paragraph (i) above only, in its absolute discretion subject to and in accordance with the Bond Trust Deed; or

(B) in the case of both paragraph (i) or (ii) above, 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 Covered Bond 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 Covered Bond Swap Rate),

subject in each case to the Bond Trustee being indemnified and/or secured and/or prefunded to its satisfaction prior to 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 has no obligation to monitor the performance of the Security Trustee and has no liability to any person for the performance or non-performance of the Security Trustee. In no circumstance will the Bond Trustee be required to indemnify, secure or prefund the Security Trustee.

In exercising any of its powers, trusts, authorities and discretions under this paragraph each of the Bond Trustee and the Security Trustee will only have regard to the interests of the Covered Bondholders of all Series equally and will not have regard to the interests of any other Secured Creditors.

No Covered Bondholder or Couponholder will be entitled to proceed directly against the Issuer or the CB Guarantor or to take any action with respect to the Bond Trust Deed, the Covered Bonds, the Coupons, the Security or to directly enforce the provisions of any other Transaction Document, 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, on giving an indemnity and/or prefunding and/or security satisfactory to the Bond Trustee, in the name of the Bond Trustee (but not otherwise) himself institute such proceedings and/or prove in the winding-up, administration or liquidation of the Issuer or the CB 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).

11. Replacement of Covered Bonds, Coupons and Talons

Should any Covered Bond (other than any Australian Domestic Covered Bond), Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent in London (in the case of Bearer Covered Bonds or Coupons) or the specified office of the relevant Registrar or Transfer Agent (in the case of Registered Covered Bonds), or any other place approved by the Bond Trustee of which notice has been given 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 and indemnity as the Issuer may reasonably require. Mutilated or defaced Covered Bonds (other than Australian Domestic Covered Bonds), Coupons or Talons must be surrendered before replacements will be issued.

12. Principal Paying Agent, Paying Agents, Registrar, Australian Agent and Transfer Agent

The names of the initial Principal Paying Agent, the other initial Paying Agents, the initial Registrar, the Australian Agent, the initial Transfer Agent and their initial specified offices are set out in the Prospectus.

In the event of the appointed office of any such bank being unable or unwilling to continue to act as the Principal Paying Agent, the Issuer will appoint the London office of such other bank as may be approved by the Bond Trustee to act as such in its place. The Principal Paying Agent may not resign its duties or be removed from office without a successor having been appointed as stated above.

In the event of the appointed Australian Agent being unable or unwilling to continue to act as the Australian Agent, or failing duly to comply with the Australian Agency 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 Australian Agent may not resign its duties or be removed from office without a successor having been appointed as stated above.

The Issuer is entitled, with the prior written approval of the Bond Trustee (not to be unreasonably withheld), to vary or terminate the appointment of any Paying Agent, Registrar or Australian Agent

and/or appoint additional or other Paying Agents, Registrars or Australian Agents and/or approve any change in the specified office through which any Paying Agent, Registrar or Australian Agent acts, provided that:

(a) there will at all times be a Principal Paying Agent, a Registrar and, so long as any Australian Domestic Covered Bonds are outstanding, an Australian Agent; and

(b) so long as any of the 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 will, when necessary appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6(f). Notice of any such variation, termination, appointment or change will be given by the Issuer to the Covered Bondholders as soon as reasonably practicable in accordance with Condition 14.

In acting under the Agency Agreements, the Agents act solely as agents of the Issuer and the CB Guarantor (to the extent applicable) and do not assume any obligation to, or relationship of agency or trust with, any Covered Bondholders or Couponholders. Each Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

13. 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 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 9.

14. 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 Times* in London. The Issuer will 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 approves.

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.

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 Euroclear and/or Clearstream, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream 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 Euroclear and/or Clearstream.

All notices regarding the Australian Domestic 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 Australian Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Australian Domestic 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 Australian Domestic 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 Australian Domestic Covered Bonds and, in addition, for so long as any Australian Domestic 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 Australian Domestic Covered Bonds on the day on which the said notice was given to Austraclear.

Notices to be given by any Covered Bondholder (other than in relation to Australian Domestic Covered Bonds) to the Issuer will 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 Principal Paying Agent (in the case of the Bearer Covered Bonds), or the 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 Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, as the case may be, may approve for this purpose. Notices to be given by any Covered Bondholder in respect of Australian Domestic 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.

15. Meetings of Covered Bondholders, Modification, Waiver and Substitution

Covered Bondholders, Couponholders and other Secured Creditors should note that the Issuer, the CB Guarantor and (other than in relation to Australian Domestic Covered Bonds) the 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 applicable Final Terms or Pricing Supplement which is not materially prejudicial to the interests of the Covered Bondholders, of a formal, minor or technical nature or is made to correct a manifest or proven error.

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 a clear majority 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: (a) 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 (b) a resolution in writing signed by or on behalf of Covered Bondholders holding not less than seventy five per cent. 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 (c) 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 by 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 any 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 10(a) or to give a CBG Acceleration Notice pursuant to Condition 10(b) 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, CBG Event of Default or Potential CBG 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 CB Guarantor (acting at the direction of the Trust Manager) 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 at least a clear majority of the aggregate 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 Covered Bond Swap Rate in accordance with provisions in the Bond Trust Deed.

The Bond Trustee may (and in the case of any modification contemplated by clause 21.1(c) of the Bond Trust Deed, the Bond Trustee must), 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 CB 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 CB Guarantor (acting at the direction of the Trust Manager) or any other party in making:

(a) 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 Transaction Document which in the sole and absolute opinion of the Bond Trustee is not materially prejudicial to the interests of the Covered Bondholders of any Series;

(b) any modification to the Covered Bonds of one or more Series, the related Coupons or any Transaction Document which is in the sole and absolute opinion of the Bond Trustee (i) of a formal, minor or technical nature or (ii) made to correct a manifest or proven error; or

(c) any modification contemplated by clause 21.4 of the Bond Trust Deed.

In forming an opinion as to whether a modification is materially prejudicial to the interests of the Covered Bondholders of any Series, of a formal, minor or technical nature or is being made to correct a manifest or proven error or is contemplated by clause 21.4 of the Bond Trust Deed, the Bond Trustee may have regard to any evidence it considers reasonable to rely on including (without any obligation to rely on any of the following): (i) a certificate from the Issuer (a) stating the intention of the parties to the relevant Transaction Documents; (b) confirming that nothing has been said to, or by, initial or subsequent investors or other parties which is any way inconsistent with the stated intention; and/or (c) stating that such modification to the relevant Transaction Documents is required to reflect such intention; and (ii) a Ratings Notification issued by the Issuer.

Subject to Clause 21.3 of the Bond Trust Deed, the Bond Trustee will be bound to concur with the Issuer and the CB Guarantor (acting at the direction of the Trust Manager) and any other party in making any of the above-mentioned modifications and any Objected Modification (as defined below) and/or direct the Security Trustee to make any of the above mentioned modifications or such Objected Modification if it 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 (as determined in accordance with the provisions of the Bond Trust Deed and, if applicable, converted into Australian Dollars at the relevant Covered Bond 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 as determined in accordance with the provisions of the Bond Trust Deed and, if applicable, converted into Australian Dollars at the relevant Covered Bond Swap Rate) then outstanding and at all times then only if it 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.

The Bond Trustee may (but shall not be obliged to) 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, CBG Event of Default or Potential CBG Event of Default from time to time and at any time but only if in so far as in its sole and absolute 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 CB Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Transaction Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, CBG Event of Default or Potential CBG Event of Default will not be treated as such for the purposes of the Bond Trust Deed, PROVIDED ALWAYS THAT the Bond Trustee will not exercise any powers conferred on it in the Bond Trust Deed in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 10 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 will so require by writing to the Issuer or the Trust Manager, will be notified by the Issuer or the Trust Manager (as the case may be) to the Covered Bondholders in accordance with Condition 14 relating to notices and communications as soon as practicable thereafter.

Subject 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 CB Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Transaction Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, CBG Event of Default or Potential CBG 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 Covered Bond 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 as determined in accordance with the provisions of the Bond Trust Deed and, if applicable, converted into Australian Dollars at the relevant Covered Bond 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 Covered Bond 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 stated above), and at all times then only if it is indemnified and/or secured

and/or pre-funded 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 must agree to a variation of a Transaction Document where the Security Trustee is directed to do so by (i) the Bond Trustee, so long as there are Covered Bonds outstanding or (ii) an Extraordinary Resolution of the Secured Creditors, if there are no Covered Bonds outstanding in each case in accordance with the provisions in the Security Trust Deed.

The Security Trustee may agree to a modification of a Transaction Document (without the approval of the Bond Trustee or the Secured Creditors) if:

(a) there are no Covered Bonds outstanding; and

(b) the variation is in the reasonable opinion of the Security Trustee (A) necessary to correct an obvious error, or is otherwise of a minor, formal, technical or administrative nature only; or (B) necessary or advisable to comply with any Law or any requirements of any Government Agency; or (C) not materially prejudicial to the Secured Creditors as a whole.

Where the Bond Trustee:

(a) exercises its discretion under clause 21 of the Bond Trust Deed to approve any variation or modification of a Transaction Document; or

(b) is obliged under clause 21 of the Bond Trust Deed to approve, or otherwise concur with the Issuer or the CB Guarantor in the making of, any variation or modification of a Transaction Document,

the Bond Trustee will, for the purposes of the purposes of clause 26.1(a) of the Security Trust Deed, direct the Security Trustee to agree to such variation or modification.

The Security Trustee may:

(a) waive any breach or other non-compliance (or any proposed breach or non-compliance) with obligations by the CB Guarantor in connection with a Transaction Document, or any CBG Event of Default or any other default referred to in clause 16.1 of the Security Trust Deed; or

(b) determine that any CBG Event of Default or any other default referred to in clause 16.1 of the Security Trust Deed has been remedied,

if:

(i) so long as Covered Bonds are outstanding, the Bond Trustee has directed the Security Trustee to waive such breach or non-compliance or make such determination; or

(ii) in the reasonable opinion of the Security Trustee, the waiver or determination is not materially prejudicial to the interests of the Secured Creditors as a whole.

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 related Couponholders and the other Secured Creditors, and unless the Bond Trustee otherwise agrees, any such modification must be notified by the Issuer, to the Covered Bondholders of all Series of Covered Bonds in accordance with Condition 14 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 under the Bond Trust Deed (including, without limitation, any modification, waiver, authorisation or determination), the Bond Trustee will have regard to the 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, will 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 will not be entitled to require, nor will any Covered Bondholder or Couponholder be entitled to claim, from the Issuer, the CB Guarantor, the Bond 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 8 and/or in any undertaking or covenant given in addition to, or in substitution for, Condition 8 pursuant to the Bond Trust Deed.

If at any time there is a conflict between a duty the Security Trustee owes to a Secured Creditor, or class of Secured Creditor, and a duty the Security Trustee owes to another Secured Creditor, or class of Secured Creditor, the Security Trustee must give priority to its duties to the Covered Bondholders so long as any Covered Bonds are outstanding. In the exercise of its rights and compliance with its obligations under the Transaction Documents, the Security Trustee will have regard to the general interests of the Covered Bondholders (or any Series thereof) as a class and will not have regard to any interests arising from circumstances particular to individual Covered Bondholders. If in connection with the exercise of rights or compliance with its obligations under the Transaction Documents, the Security Trustee is of the opinion that the interests of the Covered Bondholders of any one or more Series would be materially prejudiced, the Security Trustee may not exercise such rights or comply with such obligations without a direction in writing from the Bond Trustee.

The Bond Trustee will be obliged to concur in and effect any modifications to the Transaction Documents that are requested by the Issuer, the CB Guarantor or the Trust Manager to:

(a) accommodate the accession of a new Servicer, new Swap Provider (including a standby Swap Provider), new Trust Manager, new Account Bank, new Asset Monitor or new Agent to the Programme provided that (i) each of the Swap Providers have certified to the Bond Trustee and the Security Trustee that they consent to such modification of those documents to which they are a party (such consent not to be unreasonably withheld); (ii) two Authorised Signatories of the Trust Manager have certified to the Bond Trustee and the Security Trustee in writing that such modifications are required in order to accommodate the addition of the new Servicer, new Swap Provider (or standby Swap Provider), new Trust Manager, new Account Bank, new Asset Monitor or new Agent to the Programme; and (iii) two Authorised Signatories of the Trust Manager have certified to the Security Trustee and the Bond Trustee that all other conditions precedent to the accession of the new Servicer, new Swap Provider (or standby Swap Provider), new Trust Manager, new Account Bank, or new Asset Monitor or new Agent to the Programme set out in the Transaction Documents have been satisfied at the time of the accession;

(b) 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 (A) 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 14 and by publication on Bloomberg on the "Company News" screen relating to the Covered Bonds; and (B) 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 Covered Bond 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)(ii)(A) above that such Covered Bondholders do not consent to the proposed modification effecting the removal;

(c) 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 Ratings Notification from the Issuer and receipt by the Bond Trustee and the Security Trustee of a certificate signed by two Authorised Signatories of the Trust Manager each certifying to the Bond Trustee and the Security Trustee that such modifications are required in order to take into account any such new covered bonds ratings criteria of the Rating Agencies, or any such changes or

updates to, or any replacement of, the covered bonds ratings criteria of the Rating Agencies;

(d) allow a Swap Provider to transfer securities as Swap Collateral under a relevant Swap Agreement, including to appoint a custodian to hold such securities in a custody account pursuant to a custody agreement;

(e) ensure compliance of the Programme, the Issuer or a Swap Provider, as applicable, with, or ensure that the Programme, the Issuer or a Swap Provider, as applicable, may benefit from any existing, amended or new legislation, regulation, directive, prudential standard or prudential guidance note of any regulatory body (including the Australian Prudential Regulation Authority) in relation to covered bonds or a Swap subject to receipt by the Bond Trustee and the Security Trustee of a certificate signed by two Authorised Signatories of the Trust Manager each certifying to the Bond Trustee and the Security Trustee 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. For the purposes of providing a certificate to the Bond Trustee and the Security Trustee under this paragraph relating to modifications in connection with a Swap, the Trust Manager may rely on a certification by an Authorised Signatory of the relevant Swap Provider;

(f) enable the Programme or any Covered Bonds issued or to be issued under the Programme to be listed or admitted to trading on any stock exchange or market as determined by the Issuer; or

(g) permit the acquisition (which, without limitation, may be initially in equity only) by the CB Guarantor from the Issuer of Loans originated by an entity other than the Issuer and to enable the CB Guarantor to protect or perfect its title to such Loans, provided that such Loans comply with the Eligibility Criteria at the time of their acquisition by the CB 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.

Any such modification is effective even if such modification is or may be, prejudicial or materially prejudicial to the interests of the Covered Bondholders of any Series.

In the case of a modification falling within paragraph (b)(ii) of the second preceding paragraph, 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 Covered Bond 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)(ii)(A) 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 15 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.

Notwithstanding the above, neither the Bond Trustee nor the Security Trustee will be obliged to agree to any modification, authorisation, determination, waiver or Objected Modification, which, in the sole opinion of the Bond Trustee or the Security Trustee as the case may be, would have the effect of (i) exposing the Bond Trustee or the Security Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the powers or protections, of the Bond Trustee or the Security Trustee as the case may be, in the Transaction Documents and/or the Conditions.

Substitution

The Bond Trust Deed provides that the Bond Trustee may, without the consent or sanction of the Covered Bondholders or Couponholders agree, to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Covered Bonds,

Coupons and the Bond Trust Deed of another company, being a Subsidiary of the Issuer subject to (a) the Bond Trustee being satisfied that the interests of the Covered Bondholders will not be materially prejudiced by the substitution and (b) certain other conditions set out in the Bond Trust Deed being complied with.

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 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, *inter alia*:

(a) 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 or guarantor in place of the Issuer;

(b) 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; and

(c) confirmations being received by the Bond Trustee from each Rating Agency that the substitution will not adversely affect the current rating of the Covered Bonds.

Any such supplemental trust deed or undertaking will, if so expressed, operate to release the Issuer or the previous substitute as stated above from all of its obligations as principal debtor under the Bond Trust Deed.

Any substitution pursuant to this Condition 15 will be binding on the Covered Bondholders and the Couponholders and, unless the Bond Trustee agrees otherwise, will be notified by the Issuer to the Covered Bondholders not later than 14 days after any such substitution in accordance with Condition 14.

It will be a condition of any substitution pursuant to this Condition 15 that the Covered Bond Guarantee will remain in place or be modified to apply *mutatis mutandis* and continue in full force and effect in relation to any Substituted Debtor.

16. Indemnification of the Bond Trustee and the Security Trustee and the Bond Trustee and Security Trustee contracting with the Issuer and/or the CB 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 will 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 Transaction Documents.

The Bond Trust Deed and the Security Trust 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 Trust Deed provide that, when determining whether an indemnity and/or security and/or pre-funding is satisfactory to the Bond Trustee or the Security Trustee (as the case may be), the Bond Trustee or the Security Trustee (as the case may be) shall be entitled to evaluate its risk in any given circumstance by considering the worst-case scenario under such circumstance, and any such indemnity and/or security and/or pre-funding shall be supported by (x) evidence satisfactory to the Bond Trustee or the Security Trustee (as the case may be) as to the financial standing and creditworthiness of each counterparty and/or as to the

value of the security and (y) an opinion (or such other evidence as the Bond Trustee or the Security Trustee (as the case may be) may accept) as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security provided to the Bond Trustee or the Security Trustee.

The Bond Trust Deed and the Security Trust 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 CB 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 CB 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.

The Bond Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of any Loans, 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. The Bond Trustee will not be responsible for: (i) supervising the performance by the Issuer or any other party to the Transaction Documents of their respective obligations under the Transaction Documents and the Bond Trustee will be entitled to assume, until it has 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 Transaction Documents under the Transaction Documents; (iii) monitoring the Loans then forming part of the Trust Assets, including whether the Asset Coverage Test is satisfied or otherwise or the Amortisation Test is satisfied or otherwise; or (iv) monitoring whether a Mortgage Loan satisfied the Eligibility Criteria at any time. The Bond Trustee will not be liable to any Covered Bondholder or other Secured Creditor for any failure to make or to cause to be made on its behalf the searches, investigations and enquiries which would normally be made by a prudent secured creditor in relation to the Security and have no responsibility in relation to the legality, validity, sufficiency and enforceability of the Security and the Transaction Documents.

The Security Trustee will not be responsible: (i) for any liability whatsoever for acting in accordance with any resolution of the Covered Bondholders; (ii) for the notification of the happening or continuance of a CBG Event of Default to the Secured Creditors; (iii) for any examination or enquiry into, nor be liable for any defect or failure in, the title of the CB Guarantor to any Collateral; (iv) under any liability whatsoever for any failure to take action in respect of a breach by the CB Guarantor of its duties as trustee of the Trust or in respect of a CBG Event of Default of which it is not actually aware; (v) for the form or contents of any Transaction Document and will not be liable as a result of or in connection with any inadequacy, invalidity or unenforceability of any provision of any Transaction Documents except insofar that it applies to the Security Trustee or to any representation and warranty given by the Security Trustee; and (vi) for supervising or monitoring the performance by the Issuer or any other party to the Transaction Documents of their respective obligations under the Transaction Documents and the Security Trustee will be entitled to assume, until it has written notice to the contrary, that all such persons are properly performing their duties.

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 Transaction 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.

The Security Trustee may refrain from taking steps (other than the steps in relation to the enforcement of the Security) under the Security Trust Deed or any of the other Transaction Documents 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 Trust Deed or any other Transaction Document to which the Security Trustee is a party without first taking instructions from the Bond Trustee (so long as there are any Covered Bonds outstanding) (provided that the Security

Trustee is not required to seek instructions from the Bond Trustee in relation to the release of Security (as set out in the Security Trust Deed) or any investments in Authorised Investments) or (if there are no Covered Bonds outstanding) the Secured Creditors; and the Security Trustee has been indemnified and/or secured 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.

17. 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 Covered 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 will be consolidated and form a single Series with the outstanding Covered Bonds of such Series.

18. Non-petition and limited recourse

Only the Security Trustee (acting on the directions of (for so long as there any Covered Bonds outstanding) the Bond Trustee or (where no Covered Bonds are outstanding) the Secured Creditors) may pursue the remedies available under the general law or under the Security Trust Deed to enforce the Security and no Transaction Party will be entitled to proceed directly against the CB Guarantor to enforce the Security. In particular, each Transaction Party (other than the Security Trustee, and in respect of certain rights, the Bond Trustee) has agreed with the CB Guarantor and the Security Trustee that, except to the extent provided for in the Transaction Documents, it will not: (i) take any steps for the purpose of recovering any payment of Secured Money; or (ii) enforcing any rights arising out of the Transaction Documents against the CB Guarantor or procuring the winding up of the Trust, unless the Security Trustee, once bound to take any steps or proceedings to enforce the Security pursuant to the Security Trust Deed, fails to do so within a reasonable time and such failure is continuing, in which case such Secured Creditors will be entitled to take such steps or proceedings as it deems necessary (other than presentation of a petition for the winding-up of the Trust).

The CB Guarantor enters into the Transaction Documents only in its capacity as trustee of the Trust and in no other capacity. A liability arising under or in connection with the Transaction Documents is limited to and can be enforced against the CB Guarantor only to the extent to which it can be satisfied out of the property of the Trust out of which the CB Guarantor is actually indemnified for the liability. This limitation of the CB Guarantor's liability applies despite any other provision of the Transaction Documents and extends to all liabilities and obligations of the CB Guarantor in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to the Transaction Documents.

The parties other than the CB Guarantor may not sue the CB Guarantor in any capacity other than as trustee of the Trust, including to seek the appointment of a receiver (except in relation to property of the Trust), a liquidator, an administrator or any similar person to the CB Guarantor or prove in any liquidation, administration or arrangement of or affecting the CB Guarantor (except in relation to property of the Trust).

The provisions of this Condition 18 will not apply to any obligation or liability of the CB Guarantor to the extent that it is not satisfied because under the Transaction Documents or by operation of law there is a reduction in the extent of the CB Guarantor's indemnification out of the Trust Assets, as a result of the CB Guarantor's fraud, negligence or wilful default.

It is acknowledged that the parties are each responsible under the Transaction Documents for performing a variety of obligations relating to the Trust. No act or omission of the CB Guarantor (including any related failure to satisfy its obligations or breach of representation or warranty under the Transaction Documents) will be considered fraud, negligence or wilful default of the CB Guarantor for the purpose of the preceding paragraph to the extent to which the act or omission was caused or contributed to by any failure by any party or any other person to fulfil its obligations relating to the Trust or by any other act or omission of any party, the Servicer, the Seller, the Asset Monitor or any other person.

No attorney, agent, receiver or receiver and manager appointed in accordance with the Transaction Documents has authority to act on behalf of the CB Guarantor in a way which exposes the CB

Guarantor to any personal liability and no act or omission of any such person will be considered fraud, negligence or wilful default of the CB Guarantor for the purpose of the preceding paragraph.

The CB Guarantor is not obliged to do or refrain from doing anything under the Transaction Documents (including incur any liability) unless the CB Guarantor's liability is limited in the same manner as set out above.

Notwithstanding any other provisions of the Transaction Documents, each party to the Transaction Documents (other than the Security Trustee) agrees with and acknowledges to the Security Trustee that the Security Trustee enters into each Transaction 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 the Transaction Documents (whether to the Secured Creditors, the CB 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 Transaction Documents or by operation of law, there is a reduction in the extent of the Security Trustee's indemnification as a result of the Security Trustee's fraud, negligence or wilful default. Nothing in this Condition 18 or any similar provision in any other Transaction Document limits or adversely affects the powers of the Security Trustee, any receiver or attorney in respect of the Security or the Collateral, in relation to the Trust.

To the extent permitted by law, no recourse under any obligation, covenant, or agreement of any person contained in the Transaction 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 Transaction 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 Transaction 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 Transaction Documents.

19. Contracts (Rights of Third Parties) Act 1999

No person will have any right to enforce any term or condition of this Covered Bond under the Contracts (Rights of Third Parties) Act 1999.

20. Governing Law and Submission to Jurisdiction

(a) Governing Law

The Bond Trust Deed (including the Covered Bond Guarantee), the Offshore Agency Agreement, the Covered Bonds (other than any Australian Domestic 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 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 Australian Domestic Covered Bonds in the Bond Trust Deed, the provisions relating to the maintenance of the Register in respect of the Australian Domestic Covered Bonds in the Bond Trust Deed and the provisions relating to the limitation of liability of the CB Guarantor in the Bond Trust Deed, the Offshore Agency Agreement and the Covered Bonds are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia). The Australian Agency Agreement and the Australian Domestic 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.

(b) Submission to Jurisdiction

(a) Subject to sub-paragraph (c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Bond Trust Deed (including the Covered Bond Guarantee), the Offshore Agency Agreement, the Covered Bonds (other than any Australian Domestic Covered Bonds) and the Coupons and any dispute as to their existence, validity, interpretation, performance, breach or termination or the

consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Bond Trust Deed (including the Covered Bond Guarantee), the Offshore Agency Agreement, the Covered Bonds (other than any Australian Domestic Covered Bonds) and the Coupons (a **Dispute**) and accordingly each of the Issuer and the Trustee and any Covered Bondholders, or Couponholders (other than those holders in relation to any Australian Domestic Covered Bonds) in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(b) For the purposes of this sub-paragraph (c), the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(c) To the extent allowed by law, the Trustee, the Covered Bondholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

(c) Appointment of Process Agent

In the case of Covered Bonds (other than any Australian Domestic Covered Bonds) and the Coupons and any non-contractual obligations arising out of or in connection with them, the Issuer irrevocably and unconditionally appoints Law Debenture Corporate Services Limited at its office for the time being in London (being at the date hereof at 8th Floor, 100 Bishopsgate, London EC2N 4AG) as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of its ceasing so to act will immediately appoint such other person as the Bond Trustee may approve as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall 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 will be used by the Issuer for general funding purposes or such other purposes as may be specified in the relevant Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement.

BENDIGO AND ADELAIDE BANK – CORPORATE PROFILE

Background

The Issuer is an Australian public company listed on the ASX and registered in Victoria under the Corporations Act and regulated as an Australian-owned ADI by APRA. The Issuer converted from a building society to a bank on 1 July 1995.

At the time of conversion, The Issuer was Australia's largest and oldest building society, having operated as a building society for 137 years. The Bank has experienced significant growth since conversion, both organically and due to strategic acquisitions, and most notably its merger with Adelaide Bank Limited in 2007.

The Issuer has headquarters in Bendigo, Victoria and Adelaide, South Australia with the registered office based in Bendigo at The Bendigo Centre, Bendigo, VIC, 3550, Australia.

The Issuer is the head company of the Group.

The Issuer's well established distribution network assists in providing a full range of banking services to its customers primarily via a combination of corporate owned and Community Bank branches. This network, complemented by various digital offerings and mobile banking capability, provides one of the Issuer's core strengths, being its ability to maintain strong connections with its customers and attract customer deposits.

Business strategy

The Issuer provides a broad range of banking and other financial services to its customer base, which is mainly comprised of retail customers and small to medium sized businesses. The Issuer also services a wide network of agribusiness customers under its specialist Rural Bank brand.

The Issuer's main business activity is raising funds through customer deposits and wholesale funding markets and lending those funds to the Issuer's customers. The major lending activities are residential lending, commercial and business lending (including Agribusiness) and consumer finance, which includes personal loans, credit cards and overdrafts.

The Issuer's main revenue sources are:

- net interest income which is represented by the interest earned from its lending activities and liquidity portfolio, less interest paid on deposits and other funding sources; and
- other operating income, comprised of fee and commission revenue from the provision of banking, investment, insurance and superannuation services.

The Group's main business activities are structured and managed under the two customer-facing divisions of Consumer, and Business and Agribusiness.

Business profile

Consumer Banking

The Consumer Banking Division incorporates areas engaging with and servicing its consumer customers. This includes its Bendigo Bank branch network (including Community Bank), mobile relationship managers, third party banking channels and wealth services.

The Bendigo Bank brand is one of the leading banking brands for consumer and business customer satisfaction and advocacy with a unique offering through its Community Bank model.

The Consumer Banking Division's Local Banking business unit provides deposit accounts, residential lending, personal loans, credit cards and insurance services through its branch network and mobile relationship managers.

The Community Bank network consists of franchises with local communities that own the rights to operate a branch of the Bendigo Bank brand. Essentially, a locally owned public company invests in the rights to operate a bank branch. The Issuer supplies all banking and back office services while the community company operates the retail outlet. Revenue is shared, enabling communities to earn revenue from their banking of the local community and channel this revenue back into community enterprise and development.

The Third Party Banking business unit provides residential and consumer finance through intermediaries including mortgage partners, and mortgage brokers under the Adelaide Bank brand.

The Wealth business unit is the provider of superannuation and investment services including through the Issuer's subsidiary, Sandhurst Trustees Limited. The Wealth business unit also provides margin lending through the Issuer's subsidiary Leveraged Equities Limited and deposit products under the Adelaide Bank brand, through its team of business development and relationship managers.

Business

The Business & Agribusiness division incorporates the following areas:

(1) Business Banking (commercial finance and business solutions), and Portfolio Funding (wholesale funding solutions for the finance sector) and Private Banking Services (one-to-one banking for personal and business products); and

(2) Agribusiness, a specialist rural lending provider operating primarily under the Rural Bank brand. This division provides specialist financial products and services to primary producers and agribusiness participants through a national network of distribution partners and agribusiness lending specialists mainly based in rural and regional centres.

Joint venture businesses

Homesafe is a key joint venture of the Issuer which offers a debt-free equity release product for senior Australians to access the wealth tied up in their homes and supplement their living standards during retirement without the need to sell. The Issuer has a joint venture with Silver Body Corporate Financial Services (distributor of banking products to property body corporates).

Group Treasury

Group Treasury undertakes the following functions:

- Funding and liquidity management, including management of the Group's liquid asset portfolio, access to short and long-term wholesale funding markets and compliance with Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) metrics
- Interest rate risk management, including hedging activities using derivatives
- Liability management
- Capital management
- Foreign exchange risk management (related to wholesale funding)

Funding

The principal source of funding for the Group is, and is expected to continue to be, its customer deposit base.

These deposits are traditional term deposits and savings and transaction accounts, sourced predominantly through the Group's retail network. Customer deposits typically provide a stable source of funding and the Group is committed to maintaining a strong customer deposit liability base.

The Group's funding strategy is to maintain the existing high levels of customer deposit funding on its balance sheet. In addition, the Group typically seeks to:

- lengthen the duration of its liabilities;
- diversify its funding opportunities across a range of markets; and
- be an active participant in markets where funding opportunities exist and pricing is appropriate.

Securitisation has also formed an important part of the Group's funding and capital management. Bendigo and Adelaide Bank established a Covered Bond Programme established in October 2022 (which is to be replaced by this Programme). The Group will continue to monitor this market and participate where market conditions and pricing are appropriate.

Offshore Facilities

In addition to the AUD$6,000,000,000 Bendigo and Adelaide Bank Covered Bond Programme, the Group maintains a U.S.$3,000,000,000 billion Euro Medium Term Note Programme and a U.S.$5,000,000,000 Euro-Commercial Paper Programme. The Group may utilise these programmes to provide long term or short term offshore funding flexibility and to supplement any issuance under the domestic funding programmes.

The Group intends that any offshore transactions will typically be hedged to mitigate currency and basis risk.

The Group continues to monitor the appetite of offshore investors for Australian based issuers, with a view to further diversifying its investor base.

Capital Management

The Group seeks to manage its capital base pro-actively to improve the overall cost of capital of the organisation and ultimately maximise returns to shareholders, while at the same time meeting the needs of its various stakeholders, including APRA and the credit ratings agencies.

APRA is the prudential regulator of the Australian financial services industry. APRA's prudential standards aim to ensure that ADIs remain adequately capitalised to support the risks associated with their activities and to generally protect Australian depositors.

The Group calculates its regulatory capital requirements in relation to credit risk using the standardised approach under Basel II, but is continuing to undertake a project to become accredited by APRA to use the advanced internal ratings-based approach.

In February 2018, APRA commenced consultation on revisions to the domestic capital framework reaffirming its intention to strengthen capital requirements, such that they are considered 'unquestionably strong'. Australian banks (such as the Issuer) on the standardised approach for calculating regulatory capital requirements in relation to credit risk, were required to increase Common Equity Tier 1 ("CET1") capital by around 50 basis points by no later than January 2020. The Issuer has maintained its CET1 capital level in excess of such requirements since January 2020.

In November 2021, APRA finalised its new bank capital framework, which is designed to align Australian standards with the internationally agreed Basel III requirements. Alongside the new framework, in October 2022, APRA released final prudential standards and guidance with consequential amendments from the updated capital adequacy and credit risk capital requirements for ADIs, which came into effect in January 2023.

Settlements

The Group's settlements department handles all back office processing. This operation is segregated from front office functions.

Directors

As at the date of this Prospectus the directors of the Issuer are as set out below.

- **Jacqueline Hey, Chair**

  Jacquie joined the Board as a director in July 2011 and was appointed Chair in October 2019, becoming the Issuer's first female Chair.

  Jacquie is a member of the Board Audit Committee and the Board People, Culture & Transformation Committee.

  Jacquie has international executive experience in business and technology systems including as Managing Director & CEO of Ericsson – the Swedish telecommunications company - in the UK and Ireland and Australia/NZ prior to becoming a full-time company director in 2011.

  Other director and memberships:
  Director of Qantas Airways Limited
  Director of Commonwealth Superannuation Corporation
  Former Director of AGL Energy Limited

- **Marnie Baker, Chief Executive Officer & Managing Director**

  Marnie was appointed Chief Executive Officer & Managing Director in July 2018.

  Marnie has over 30 years' experience in the financial services industry, across banking, trustee and custodial services, financial planning, insurance and funds management. Marnie has been with the Group since 1989, and an Executive of the Issuer since 2000. Her most recent positions include Chief Customer Officer which had responsibility for all the customer facing and direct customer support businesses across the Group, Executive Corporate Resources with responsibility for human resources, information technology, legal, assurance, property & security, procurement and corporate services, as well as previous positions of Chief Information Officer, Group Treasurer and Chief Executive Officer Sandhurst Trustees.

  Other director and memberships:
  Deputy Chair of Australian Banking Association Limited
  Member of Business Council of Australia
  Member of Mastercard (Asia Pacific) Advisory Board
  Member of La Trobe University's Bendigo Regional Advisory Board
  Member of Victorian Government – Economic Restart and Recovery Steering Committee
  Member of Mentally Healthy Workplaces Advisory Group

- **Vicki Carter**

  Vicki joined the Board in September 2018. Vicki is Chair of the Board People, Culture & Transformation Committee and a member of the Board Risk Committee.

Vicki has over 30 years' experience in the financial services and telecommunications sectors with executive roles in distribution, strategy and operations, human resources and transformation.

Vicki's former roles include Executive Director, Transformation Delivery at Telstra, and prior to that, held several executive roles at NAB including Executive General Manager – Retail Bank, Executive General Manager – Business Operations and General Manager – People and Culture, as well as senior leadership roles at MLC, ING and Prudential Assurance Co Ltd.

Other director and memberships:
Director of ASX Limited
Director of IPH Limited
Director of Edonista Pty Ltd
Director of Sandhurst Trustees Limited

- **Richard Deutsch**

Richard joined the Board in September 2021. Richard is Chair of the Board Audit Committee and a member of the Board Financial Risk Committee.

Richard most recently served as CEO of Deloitte Australia, the Managing Partner of the Audit & Advisory Practice and a member of the Global Audit & Advisory Leadership Team. Richard's career also includes more than 25 years working with PwC, including nine years on PwC's Australian executive.

His former directorships also include serving as President and Chairman of the Institute of Chartered Accountants Australia (now Chartered Accountants Australia and New Zealand). Richard has also been a member of the Business Council of Australia.

Other director and memberships:
Chair of Stephenson Mansell Group Pty Ltd
Chair Movember Foundation
Director of AUB Group Limited

- **David Foster**

David joined the Board in September 2019. David is Chair of the Board Financial Risk Committee and a member of the Board People, Culture & Transformation Committee.

David's executive career – primarily in financial services – has spanned more than 25 years, most recently as CEO of Suncorp Bank from 2008 to 2013. He also held several senior roles with Westpac Banking Corporation in Sydney and Queensland across a 14-year period. David was previously the Chair of Motorcycle Holdings Limited and is now the current Chair of G8 Education Limited and Youi Holdings Group Limited. In December 2022 he was appointed director of Star Entertainment Group Limited.

David has experience in strategy, mergers and acquisitions, operational leadership, finance and risk management, product management and marketing, and change management.

Other director and memberships:
Chair of G8 Education Limited
Chair of Youi Holdings Group Limited
Chair of Star Entertainment Group Limited (*effective 31 March 2023)*

- **David Matthews**

David joined the Board in March 2010. David is a member of the Board Audit Committee and the Board People Culture & Transformation Committee. David is also a member of the Community Bank National Council and Chair of the Agribusiness Advisor Committee.

David has extensive connections and experience with regional and rural Australia. David played a fundamental role in the creation of the Community Bank network and chaired the first Community Bank company in Australia which began in Rupanyup and Minyip in Victoria.

David has broad experience in agribusiness from production to international trade, deep community connections and an understanding of the critical role 'people' play in business success.

Other director and memberships:
Director of Farm Trade Australia Pty Ltd
Former Director of Australian Grain Technologies Pty Ltd

- **Jim Hazel**

Jim joined the Board in March 2010. Jim is a member of the Board Risk Committee and the Board Financial Risk Committee.

Jim is a professional public company director who has had an extensive career in banking, finance, and risk management, including in the regional banking industry. Jim has had more than 40 years of experience in the financial services sector.

As Chair of the Adelaide Festival Centre, Jim played a pivotal role in the redevelopment of Her Majesty's Theatre in Adelaide and led the Arts Community through the challenging pandemic period.

Other director and memberships:
Chair of Ingenia Communities Group Limited
Chair of Precision Group
Chair of Barossa Hills Fleurieu Local Health Network
Director of Omega Communities Pty Ltd
Director of Chapman Capital Partners
Pro-Chancellor of University of South Australia

- **Victoria Weekes**

Victoria joined the Board in February 2022. Victoria is Chair of the Board Risk Committee and member of the Board Audit Committee.

Victoria has over 35 years of experience in financial services. Victoria has held executive roles with major Australian listed companies and multi-nationals including Westpac, Citi, Allens and Jarden Morgan (now CS First Boston). Victoria is the Deputy Chair of the ASIC Markets Disciplinary Panel and former chair of NSW Treasury Audit and Risk Committee.

Victoria has been a non-executive director and chair with experience across a range of business sectors in the public, private, government and not-for-profit organisations, Victoria with expertise in risk management, regulation, and compliance at both executive and board level.

Victoria is a Senior Fellow and past president of professional standards body FINSIA, a Fellow of the Australian Institute of Company Directors, a Chartered Banker and was previously the chair of the Australian Gender Equality Council. Victoria was a former director of URB Investments Limited (ASX:URB).

Other director and memberships:
Director of Alcidion Group Limited

Director of Risk Compliance Solutions Pty Ltd
Member of State Library Council of NSW

- **Alistair Muir**

  Alistair joined the Board in September 2022. Alistair is an experienced digital executive and entrepreneur with almost 20 years' experience working in finance and technology with a broad range of ASX50 and Fortune 500 companies including Apple Music.

  He is currently the Managing Director of advisory business Vanteum and has advised several banks, insurers and fintech businesses on Open Banking and the Consumer Data Right (CDR) as well as advising foreign governments on fintech and digital innovation. He was previously a director of Humm Group Limited.

  Other director and memberships:
  Director of Genworth Mortgage Insurance Australia Limited
  Consultant to CSIRO Climate Intelligence Platform Project

The business address of each director listed in the financial statements is:
The Bendigo Centre
Bendigo Victoria 3550
Australia

In accordance with the Constitution of the Issuer, and under the terms of the Board Charter, the Chief Executive Officer & Managing Director (**CEO & MD**) has been delegated responsibility for the day-to-day management of the Issuer and its subsidiary companies. The CEO & MD has established and chairs an Executive Committee responsible for the day-to-day management of the Group's operations and performance.

Executive Committee

- **Marnie Baker, Chief Executive Officer & Managing Director**

  Marnie was appointed Chief Executive Officer & Managing Director in July 2018.

  Marnie has over 30 years' experience in the financial services industry, across banking, trustee and custodial services, financial planning, insurance and funds management. Marnie has been with the Group since 1989, and an Executive of the Issuer since 2000. Her most recent positions include Chief Customer Officer which had responsibility for all the customer facing and direct customer support businesses across the Group, Executive Corporate Resources with responsibility for human resources, information technology, legal, assurance, property & security, procurement and corporate services, as well as previous positions of Chief Information Officer, Group Treasurer and Chief Executive Officer Sandhurst Trustees.

  Other director and memberships:
  Deputy Chair of Australian Banking Association Limited
  Member of Business Council of Australia
  Member of Mastercard (Asia Pacific) Advisory Board
  Member of La Trobe University's Bendigo Regional Advisory Board
  Member of Victorian Government – Economic Restart and Recovery Steering Committee
  Member of Mentally Healthy Workplaces Advisory Group

- **Ryan Brosnahan – Chief Transformation Officer**

  Ryan joined the Issuer in 2019 and is responsible for the Group's organisational and technological change programme to support the Issuer's strategy.

With more than 20 years' international experience in the financial services industry in Australia, New Zealand and the United Kingdom prior to the Issuer, Ryan held Executive responsibility for key portfolios, including enterprise-wide transformation, technology, strategy, operations and risk at ANZ Bank. Ryan is a member of the Chartered Accountants of Australia and New Zealand and a member of the Australian Institute of Directors.

Ryan holds a Master in Finance from London Business School and a Bachelor of Commerce degree in Accounting and Finance.

Ryan is a director of Ferocia Pty Ltd (UP Money – wholly owned subsidiary of BEN) and Australian Payments Plus Limited.

- **Taso Corolis – Chief Risk Officer**

Taso joined the Group in 2011 and was responsible for qualitative analytics, reporting and risk governance within Group Risk. He joined the Issuer from Rural Bank (now a division of the Issuer), where he was the Chief Risk Officer since 2008.

Taso has more than 20 years' experience in the financial services industry. This includes ten years in senior roles with the Australian Prudential Regulation Authority (APRA).

Taso is also a non-executive director of Workskil Australia, a national not-for-profit and charitable organisation committed to transforming people's lives through employment, health, indigenous and disability services.

- **Andrew Morgan – Chief Financial Officer**

Andrew commenced his role with the Issuer in June 2022.

With more than 30 years of global financial services experience behind him, Andrew joined the Issuer from Colonial First State where he was Chief Financial Officer.

Prior to Colonial First State, Andrew was Chief Financial Officer and Acting Managing Director of MLC Wealth. Andrew also spent nine years at Commonwealth Bank, including four years as the Chief Financial Officer of its Business and Private Banking and Bankwest businesses.

Andrew is a director of BEN Regional Victoria Pty Ltd (a wholly owned subsidiary of the Issuer).

- **Richard Fennell – Chief Customer Officer, Consumer Banking**

Richard joined the Issuer in 2007 after an 18-year career in finance and consulting, primarily with PWC in Australia and Asia. Richard has responsibility for the Issuer’s consumer facing business to deliver banking services.

Prior to this role, Richard was Chief Financial Officer, and in addition, had responsibility for Group Strategy and the Corporate Division which comprised many of the Issuer’s non-technology focussed support areas including People and Performance, Properties, Procurement and Processing Centres.

Richard is a director of Bendigo Financial Pty Ltd, Bendigo Funding (Ararat) Pty Ltd, National Mortgage Market Corporation Pty Ltd, Pirie Street Holdings Pty Ltd, RBL Sales Services Co Pty Ltd and ACN 083 938 416 (RBL) Pty Ltd (all wholly owns subsidiaries of BEN)

- **Adam Rowse – Chief Customer Officer, Business and Agribusiness**

Adam commenced with the Bank in July 2022 as Chief Customer Officer, Business and Agribusiness. Adam leads the Bank's business and agribusiness division to ensure that Bank customers have the support they need to grow their business.

Prior to joining the Bank, Adam spent 14 years in the U.K. at Barclays Bank. During his time with Barclays, he held positions including the Head of Business Banking where he helped establish Barclays as the preeminent Business & Agribusiness Bank. As Head of Branch Banking, he was responsible for c1,000 branch locations and thousands of employees. Previously he held senior leadership roles at the National Australia Bank.

Adam is a director of Agri Advisors Pty Ltd, Profarmer Australia Pty Ltd and RBL Sales Services Co Pty Ltd (all wholly owned subsidiaries of BEN).

- **Bruce Speirs – Chief Operating Officer**

  Bruce joined the Bank in 2004 and has held several senior positions including Head of Products, General Manager Managed Funds, Head of Financial Management and Reporting and Executive, Business Banking.

  Bruce has previously held the roles of Executive, Business Banking, Executive, Partner Connection and Chief Financial Officer of Rural Bank. Prior to joining the Issuer, Bruce worked for Ernst & Young for 9 years in Australia, the United Kingdom, and the United States.

  Bruce is also a director of Ferocia Pty Ltd (UP Money – wholly owned subsidiary of BEN) and TIC:TOC Online Pty Ltd (the Issuer owns an interest in this company).

- **Louise Tebbutt – Chief People Officer**

  Louise commenced with the Bank in October 2018 as Chief People Officer after more than 20 years in executive level people and culture related roles.

  Louise holds a Bachelor of Business and is passionate about building resilient organisations, driven by capability, and creating a culture of performance and accountability.

  Louise is a director of BEN Regional Victoria Pty Ltd (a wholly owned subsidiary of BEN). Louise is also on the Board of RULE Prostrate Cancer.

The business address for each member of the executive committee listed above is:

The Bendigo Centre
Bendigo Victoria 3550
Australia

Conflicts

There are no potential or actual conflicts of interest which exist between any duties of any director or member of the executive management committee to the Issuer and any private or other duty of that director or member of the executive management committee. The Issuer has in place procedures whereby any potential conflicts between interests of directors and their private interests are declared and managed.

Regulatory Developments

Significant Australian and international regulatory developments that will or may impact on the Issuer's business, operations and financial position and performance are described below.

Banking Executive Accountability Regime

The Treasury Laws Amendment (Banking Executive Accountability and Related Measures) Act 2018 (Cth) ("BEAR legislation") established accountability obligations for ADIs and their senior executives and directors. The BEAR legislation applied to the Issuer from 1 July 2019.

Primary risks to the Issuer emerging from the legislation relate to the substantial penalties for breaching the BEAR legislation, and the ability to attract and retain high quality executives. The BEAR legislation currently only applies to ADIs and ADI subsidiaries (including the Issuer and its subsidiaries), however, it is proposed that this will be extended to other parts of the financial services industry, impacting the Issuer more broadly.

On 28 October 2021, the Australian Government introduced the Financial Accountability Regime Bill 2021 ("**FAR Bill**") into the Australian Parliament, which is intended to establish the Financial Accountability Regime ("**FAR**"). The FAR was developed in response to recommendations made by the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (the "**Royal Commission**") and is intended to extend and replace the BEAR legislation by establishing an accountability framework for certain entities in the banking, insurance and superannuation industries that are regulated by APRA, and persons who hold certain positions or have certain responsibilities within those entities. As with the BEAR legislation, the FAR will apply to all of the operations of the Issuer. The FAR will be jointly administered by APRA and ASIC.

The FAR Bill lapsed upon the dissolution of the House of Representatives on 11 April 2022, following the announcement of a Federal election.

On 8 September 2022, the FAR Bill was reintroduced into the Parliament in substantially the same form as the proposed legislation introduced by the former Government in October 2021. If subsequently passed in its current form, the FAR will be implemented in stages for in-scope entities within the Group, commencing with the Issuer six months after the commencement of the legislation and the Group and certain senior personnel will be subject to, or impacted by, new or heightened accountability obligations.

Primary risks to the Issuer potentially emerging from the introduction of the FAR relate to the substantial penalties for breaching the FAR legislation (which are representative of the already substantial penalties in place for the BEAR legislation), and the ability to attract and retain high quality executives.

Consumer Data Right Bill and Open Banking

From 2017 to 2018, the Australian government consulted on exposure draft legislation to implement the Consumer Data Right ("**CDR**"). CDR will provide individuals and businesses with a right to efficiently and conveniently access specified data in relation to them held by business and authorise secure access to this data by trusted and accredited third parties. CDR will also require businesses (like the Issuer) to provide public access to information on specified products they have on offer.

CDR is designed to give customers more control over their information, leading to more choice in where they take their business and more convenience in managing their money. The Australian government has committed to applying CDR in the banking, energy and telecommunications sectors. For the banking sector, this is referred to as "Open Banking" and it will be the first sector to apply CDR. CDR is intended to reduce the barriers that currently prevent customers from switching between banks. Banks will be required to provide open access to data on product terms and conditions, transaction use, and customers will have the ability to direct that their data be shared with other service providers (banks and non-banks).

On 9 May 2018, the Australian government agreed to the recommendations of the Review into Open Banking, both in relation to the framework of the overarching CDR and the application of the right to Open Banking. The CDR bill was passed in the Australian Parliament on 1 August 2019. The CDR rules for banking (or Open Banking) came into force on 6 February 2020. Important compliance milestones for major banks were on 6 February 2020 (by which time major banks needed to be able to share product data) and 1 July 2020 (by which time major banks needed to be able to share consumer data with accredited persons on transactional accounts). The Issuer's Bendigo Bank and Up brands began sharing consumer data with accredited persons for certain products (including savings accounts, credit card accounts and transaction accounts) from 1 July 2021. On 22 September 2022 the ACCC granted an exemption under section 56GD

of the Competition and Consumer Act 2010 to the Issuer, deferring the commencement dates of its consumer data sharing obligations in respect of the Alliance Bank brand until 31 July 2023, in respect of the Rural Bank brand until 31 December 2023 and in respect of the Adelaide Bank brand until 31 December 2023 for new and refinanced brokered customers, and until 31 December 2024 for existing brokered customers and white-labelled products. The Issuer's Bendigo Bank brand began sharing consumer data with accredited persons for certain other products (such as home loan products) from 1 November 2021.

International regulation

There continue to be proposals and changes by global regulatory advisory and standard-setting bodies, such as the International Association of Insurance Supervisors, the BCBS and the Financial Stability Board, which, if adopted or followed by domestic regulators, may increase operational and capital costs or requirements.

The Issuer's businesses may also be affected by changes to the regulatory framework in other jurisdictions, including the cost of complying with regulations that have extra-territorial application such as the Bribery Act 2010 (UK), Foreign Account Tax Compliance Act 2010 (US), Dodd–Frank Wall Street Reform and Consumer Protection Act 2010 (US) and other reforms.

There has also been increased regulator expectation and focus in relation to a number of other areas such as data quality and control, governance and culture and conduct.

Basel III and Revisions to the Capital Framework (Basel III)

Basel III is a comprehensive set of reform measures, developed by the Basel Committee, to strengthen the regulation, supervision and risk management of the banking sector globally. The International Standards for Basel III have now been finalised and following this, APRA released its final requirements in relation to capital adequacy and credit risk capital requirements for ADIs in November 2021. Implementation came into effect from 1 January 2023 (APRA capital reforms).

Significant aspects of APRA's final requirements included but were not limited to greater alignment with internationally agreed Basel standards relating to non-residential mortgages exposures, introduction of the Basel II capital floor for Internal Ratings Based (IRB) ADIs, the implementation of more risk-sensitive risk weights for residential mortgage lending, improving the flexibility of the capital framework through the introduction of a default level of a countercyclical capital buffer (initially set at 1%) and increasing the capital conservation buffer for IRB ADIs, improving the transparency and comparability of ADIs' capital ratios and implementing a minimum leverage ratio for IRB ADIs at 3.5%. The Basel Committee continue to meet regularly to assess risks and vulnerabilities to the global banking system which includes evaluating the effectiveness of Basel III reforms. APRA has indicated that the above changes will likely result in a decrease in Risk Weighted Assets as calculated under the new standards, but that this would be offset by the increased capital requirements associated with the capital buffers. The capital targets for the Issuer have recently been reviewed in light of the APRA capital reforms with target ranges across all levels of capital increasing by 50 basis points across all levels of capital.

CPS 190 and 900

APRA has released Prudential Standard CPS 190: Recovery and exit planning, which aims to ensure that all APRA-regulated entities are prepared for scenarios that may impact the financial viability of their business.

CPS 190 focuses on the financial resilience of regulated entities and reducing the likelihood of failure. The aim of the new Standard is to ensure that regulated entities have plans in place to manage through a period of stress. CPS 190 will require entities to prepare a recovery and exit plan, which sets out how they would respond to stress that threatens their viability. The plan will include recovery and exit planning. CPS 190 will come into effect from 1 January 2024 for banks and from 1 January 2025 for RSE licensees. CPS 900 aims to minimise the impact of entity failure. CPS 900 will require large or complex APRA-regulated entities to be organised so as to minimise risks to beneficiaries, e.g. depositors or policyholders, and to financial system stability, if the entity were to fail. The new Prudential Standard will set a framework through which regulated

entities can engage with APRA to develop and implement a resolution plan. CPS 900 will come into effect from 1 January 2024.

ACCC inquiries into home loan pricing and deposit pricing

The Australian Government has directed the Australian Competition and Consumer Commission ("**ACCC**") to commence an inquiry into home loan pricing. The ACCC is investigating a wide range of issues, including the rates paid by new and existing customers, impediments to customer switching, how the cost of financing for banks has affected interest rate decisions and the interaction between home loan pricing and rate setting by the RBA. A final report on this topic was presented to the Australian Federal Government on 5 December 2020.

On 15 February 2023, it was further announced that the ACCC will investigate how banks set interest rates for savers, including differences in interest rate increases between bank deposits and home loans after the Federal Government directed the ACCC to commence an inquiry into Australia's retail deposit market. The ACCC has been directed to report to the Treasurer by 1 December 2023.

Design and distribution obligations

On 5 April 2019, the Treasury Laws Amendment (Design and Distributions Obligations and Product Intervention Powers) Act 2019 (Cth) came into force. These laws impose additional obligations on the Issuer regarding the design and distribution of certain financial products offered to retail investors (including hybrid securities), and grants product intervention powers to ASIC if it believes significant consumer detriment may occur.

Furthermore, the product design and distribution obligations require issuers to prepare and make publicly available a target market determination ("**TMD**"), which aims to ensure that financial products for the retail market are targeted and sold to appropriate investors. Issuers must then take reasonable steps to ensure compliance with the TMD by distributors and are subject to ongoing obligations to review the TMD. Distributors must not distribute a product to retail investors unless it has a TMD and must also take reasonable steps to ensure their distribution is consistent with the TMD. The legislation also gives ASIC a significant, proactive power to issue a product intervention order if it believes that a financial product has resulted in or will, or is likely to, result in significant detriment to retail clients or customers. The legislation requires ASIC to undertake a consultation process before it makes a product intervention order.

On 11 December 2020, ASIC released Regulatory Guide 274 Product Design and Distribution Obligations to provide guidance on the design and distribution obligations in Pt 7.8A of the Corporations Act.

From 5 October 2021, new product design and distribution obligations as set out in the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 of Australia (DDO) came into effect. The regime introduces targeted and principles-based design and distribution obligations in relation to financial products. The obligations require issuers and distributors to have an adequate product governance framework to ensure products are targeted at the right people.

The two key elements of the obligations are for the product issuers to have a TMD for each product, which defines the type of customer the product is appropriate for, and that distributors cannot engage in retail distribution without a TMD. There are requirements surrounding this to ensure reasonable steps are taken to ensure distribution is in line with the TMD and records are maintained to this effect. The Issuer has processes in place for managing the life cycle of its products.

The DDO regime requires notification of 'significant dealings' that are inconsistent with the TMD. ASIC also has a number of powers to support its regulatory role, including ability to request necessary information and issue stop orders. Product intervention powers as set out in the DDO can be used when there is a risk of significant consumer detriment. There are also civil and criminal penalties applicable to contraventions of the obligations.

OVERVIEW OF THE ISSUER'S MORTGAGE LENDING BUSINESS

Origination of Mortgage Loans

The Issuer originates mortgages via two main banking channels:

(i) directly to customers via branches, Mobile Relationship Managers, Business Banking Managers, the Issuer's Consumer Connection divisions and its website; and

(ii) via a network of third-party mortgage introducers such as mortgage brokers, strategic partners and mortgage partners.

In all cases, loan applications must satisfy the residential mortgage loans credit policy of the Issuer. This includes establishing that an applicant's servicing capacity, credit history and value of the property to be secured meet the minimum lending standards of the Issuer.

(a) *Credit Approval Process*

When a Mortgage Loan application is received it is processed in accordance with the Issuer's credit policies and approval procedures. These policies and procedures are monitored and are subject to continuous review by the Issuer to reflect any changes in business, legal or regulatory conditions.

Officers of the Issuer and selected officers employed by the Issuer's partners are issued a delegated lending authority ("**DLA**"). This DLA specifies the maximum loan amount the officer is able to approve within set policy criteria. These set criteria include security type and location and LVR, and serviceability ratios. The level of DLA issued is based upon the officers' level of training and lending experience. All delegated authorities are overseen and supervised by the Issuer's internal credit unit, with regular hindsight reviews completed across all DLA holders. Housing Loans submitted by staff or partners who do not have a DLA are subject to assessment and approval by a credit officer of BEN.

(b) *Loan Applications*

All applicants for a Mortgage Loan are required to complete and sign an application form which details the financial position of the applicants as well as authorising the Issuer to effect various enquiries in relation to the employment and credit history of the applicants.

(c) *Assessment*

All Mortgage Loan applications are assessed using the standard credit assessment criteria of BEN. The lending policies of the Issuer require independent confirmation of the details included in the application such as employment, the income, asset conduct and loan history of the applicants. The applicant's capacity to service the loan over time is assessed using a servicing model that calculates an applicant's net disposable income. Employment checks, pay slips, tax returns, statements of assets and liabilities and transaction history are used to confirm the accuracy of the applicant's information. The credit history of applicants is assessed by undertaking comprehensive credit reporting checks.

The Issuer's digital channels including Up Home Loans, BEN Express and originations via partly owned tic:toc use a range of digital sources to collect and verify customer information to support mortgage lending assessment.

(d) *Valuations*

The value of a mortgaged property in relation to Mortgage Loans is determined by one of the following methods. Where more than one mortgaged property is offered as security a variety of

valuation methods may be used with the sum of the valuations for each mortgaged property assessed against the Mortgage Loan amount sought and in determining the LVR.

Full valuation

Full valuations by an Australian Property Institute qualified and approved external valuer. A comprehensive written report is prepared by the valuer and sent to the Issuer for review.

Policy requirements are that the valuer is a member of the Issuer's panel, the valuation must be requested via the Issuer's approved valuation management system and that the valuer must be independent and at arms length from the vendor, developer, purchaser, real estate agent and lender.

Unless a full valuation is required, the following alternative valuation methods are acceptable:

Valuation based on purchase contract

In specific circumstances where the mortgaged property was purchased within 6 months of approval of the loan, the purchase price stated in a purchase contract may be used in valuing a mortgaged property. Criteria regarding maximum LVR, property type, location and maximum loan size must be met, or approval be provided by a lending officer with a higher Delegated Lending Authority (DLA). The purchase contract must be made on a bona fide arms' length basis and negotiated via a real estate agent which is verified by lending officers prior to final loan approval.

*Valuation by Valuer General's Assessment ("**VGA**")*

If the mortgaged property is situated in any state or territory other than WA, the value of the mortgaged property confirmed by a VGA can be accepted. This is generally from a rates notice. Criteria regarding maximum LVR, property type, location and maximum loan size must be met, or approval be provided by a lending officer with a higher Delegated Lending Authority (DLA). This valuation option has been decommissioned for new lending since April 2022.

*Valuation by desktop Electronic Valuation Report ("**EVR**")*

Desktop valuations are a cost effective alternative to full valuations. Subject to qualifying criteria, EVRs are conducted by qualified and approved external valuers who are members of the Issuer's panel. The EVR provides the Issuer with a précis of the property based on comparable sales and other available information. A full inspection is not conducted. Criteria regarding maximum LVR, property type, location and maximum loan size must be met.

*Valuation by Automated Valuation method ("**AVM**")*

AVMs are statistically driven, fully automated property valuation tools that are reliant on analysis of property data to estimate Market Value. No inspection is conducted and AVMs are only available for established single use residential dwellings, units, villas or townhouses where the land size is less than 2 hectares. AVMs are subject to qualifying criteria including the Forecast Standard Deviation ("FSD") which is the error range inherent in the forecast estimate of the property value. Criteria regarding maximum LVR, property type, location and maximum loan size must be met.

Each AVM is based on a combination of statistical regression models:

1. Indexation model which analyses historical sales for the subject property;

2. Appraiser model which identifies recent sales/listings of similar properties in the building/street/locality; and

3. Hedonic model which analyses and ascribes a 'value' for key individual property attributes and generates a value for a specific property.

(e) *Lenders Mortgage Insurance*

Mortgage Loans included in the Trust Assets may be covered by lenders mortgage insurance as at the Closing Date. Mortgage Loans with an LVR greater than 80% are generally required to be insured as at their date of origination. The premium payable for a Mortgage Insurance Policy to a Mortgage Loan can be added to the original loan amount provided the combined amount lent does not exceed the maximum permissible LVR for the type of loan being granted. If the addition of the fee payable would lead to the maximum permissible LVR being exceeded, the balance must be paid for by the borrower from surplus funds.

(f) *Documentation*

After a Mortgage Loan has been approved, a letter of offer that includes the terms and conditions of the loan, is forwarded to the borrower for execution and return, and forms the loan agreement. The relevant channel instructs the Issuer's processing centre or a panel solicitor to prepare the balance of the loan documentation, primarily being the mortgage. The relevant channel or the panel solicitors arrange for execution of all necessary documents. The executed documentation is then returned to the processing centre (or panel solicitor for review with the executed loan agreement and ancillary documents retained in the Mortgage Loan file). Original executed documents which are required for registration are returned to the processing centre and then delivered to the relevant lands title office. For securities registered via e-conveyancing (e.g. via PEXA) the original signed security documents are also retained in the loan file and archived, or archived separately. The Issuer's systems record the archiving location for ease of retrieval.

(g) *Settlement*

For Mortgage Loans, the Issuer (or its solicitors) requires, prior to settlement and the disbursement of funds, the following:

(i) copy of the sale and/or building contract (where applicable);

(ii) valuation evidence and, where applicable, inspection reports;

(iii) certificate of title (if issued);

(iv) council notices and certificates (where required by BEN);

(v) evidence that suitable house owner/householder/body corporate insurance is held;

(vi) evidence of lender's mortgage insurance (where applicable);

(vii) independent reports (where required by BEN);

(viii) guarantor acknowledgement in the form of a signed guarantee document (if guaranteed);

(ix) where applicable executed and stamped land transfer documents and discharges of existing mortgages;

(x) a disbursement authority for BEN; and

(xi) acknowledgement of a letter of offer in the form of a signed letter of offer and the Issuer's executed mortgage documents.

Following settlement of a loan, the processing centre, its settlement agent or the panel solicitor arranges for relevant securities to be stamped (if applicable) and registered (for states where paper based title are still in use) or Registration Confirmation Statements (or similar for paperless titles) or e-conveyancing reporting evidencing registration. Original registered documents and Certificates of Title are forwarded to the processing centre for final review and safekeeping where applicable.

BENDIGO AND ADELAIDE BANK COVERED BOND TRUST

The Bendigo and Adelaide Bank Covered Bond Trust is a special purpose unit trust established by the Trust Deed on 11 October 2022. Perpetual Corporate Trust Limited is the trustee of the Bendigo and Adelaide Bank Covered Bond Trust, with ABN 99 000 341 533.

The units in the Bendigo and Adelaide Bank Covered Bond Trust comprise one residual income unit (a "**Residual Income Unit**") and one residual capital unit (each, a "**Residual Capital Unit**") of A$10 each. The Residual Income Unit and Residual Capital Unit are issued and are fully paid up as at the date of this Prospectus.

The principal activities of the Bendigo and Adelaide Bank Covered Bond Trust are set out in the Trust Deed and include the giving of the Covered Bond Guarantee and, in connection with, and for the purpose of, giving the Covered Bond Guarantee, to:

(a) acquire, manage and sell Loans and their Related Security;

(b) acquire, manage and sell Substitution Assets and Authorised Investments;

(c) borrow money to fund the acquisition of such assets;

(d) hedge the risks associated with such assets and such funding;

(e) grant security;

(f) enter into and perform its obligations and exercise its rights under the Transaction Documents to which it is a party;

(g) undertake any other activities as may be reasonably incidental to any of the above; and

(h) appoint any person or persons to do any of the above on its behalf.

Beneficiaries

The beneficiaries of the Bendigo and Adelaide Bank Covered Bond Trust are the holders of the Residual Income Unit and the Residual Capital Unit. As at the date of this Prospectus, the Issuer is the sole holder of the Residual Income Unit and the Residual Capital Unit.

Trustee of the Bendigo and Adelaide Bank Covered Bond Trust

The trustee of the Bendigo and Adelaide Bank Covered Bond Trust is Perpetual Corporate Trust Limited (in such capacity, the "**CB Guarantor**"). Perpetual Corporate Trust Limited was appointed trustee of the Bendigo and Adelaide Bank Covered Bond Trust on 11 October 2022 pursuant to the Bond Trust Deed establishing the Bendigo and Adelaide Bank Covered Bond Trust.

Perpetual Corporate Trust Limited was incorporated in New South Wales, Australia on 27 October 1960 as T.E.A. Nominees (N.S.W.) Pty Limited under the Companies Act, 1936 of New South Wales. The name was changed to Perpetual Corporate Trust Limited on 18 October 2006 and Perpetual Corporate Trust Limited now operates as a limited liability public company under the Corporations Act. Its Australian Business Number is 99 000 341 533.

The CB Guarantor is registered in NSW and its registered office is at Level 18, 123 Pitt Street, Sydney NSW 2000, Australia, where the CB Guarantor's register of Unitholders is kept (telephone number +61 2 9229 9000). The Trust Deed may be inspected at the registered office of the CB Guarantor. The website of Perpetual Corporate Trust Limited is www.perpetual.com.au. No information on such website forms part of this Prospectus.

Perpetual Corporate Trust Limited is a wholly owned subsidiary of Perpetual Trustee Company Limited (ABN 42 000 001 007), which is a wholly owned subsidiary of Perpetual Limited, a publicly listed company on the Australian Securities Exchange.

The principal activities of Perpetual Corporate Trust Limited are the provision of trustee and other commercial services. Perpetual Corporate Trust Limited (ABN 99 000 341 533) has obtained an Australian Financial Services Licence under Part 7.6 of the Australian Corporations Act (AFSL No. 392673). Perpetual Corporate Trust Limited and its related companies provide a range of services including custodial and administrative arrangements to the funds management, superannuation, property, infrastructure and capital markets. Perpetual Corporate Trust Limited and its related companies are leading trustee companies in Australia.

The name and function of each of the Directors of Perpetual Corporate Trust Limited is listed below. The business address of each Director is Level 18, 123 Pitt Street Sydney NSW 2000 Australia.

- Mark Smith, Director;
- Christopher Green, Director; and
- Richard McCarthy, Director.

As at the date of this Prospectus, no potential conflicts or actual conflicts of interest have been identified between any duties owed to the CB Guarantor by any of the Directors of Perpetual Corporate Trust Limited listed above and their private interests that are not being actively managed.

As a subsidiary of Perpetual Limited, perceived and actual conflicts of interest for the CB Guarantor and its Directors are assessed and managed in accordance with the Perpetual Limited Conflicts Management Framework.

Perpetual Corporate Trust Limited enters into the Transaction Documents only in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust and in no other capacity. A liability arising under or in connection with the Transaction Documents is limited to, and can be enforced against the CB Guarantor only to the extent to which it can be satisfied out of the assets of the Bendigo and Adelaide Bank Covered Bond Trust out of which the CB Guarantor is actually indemnified for the liability. This limitation of the CB Guarantor's liability applies despite any other provision of the Transaction Documents (other than in the case of fraud, negligence or Wilful Default by the CB Guarantor) and extends to all liabilities and obligations of the CB Guarantor in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to a Transaction Document.

Trust Manager

Pursuant to the terms of the Trust Management Deed, the Trust Manager shall assist the CB Guarantor with the implementation and administration of the provisions of the Trust Deed and the other Transaction Documents to the extent such provisions are binding on the CB Guarantor.

Auditors

The auditors of the Bendigo and Adelaide Bank Covered Bond Trust are Ernst & Young with their principal office at 8 Exhibition Street, Melbourne, Victoria, Australia.

The partners of Ernst & Young are typically members of the Institute of Chartered Accountants of Australia and New Zealand, but the firm itself is not a member.

OVERVIEW OF THE PRINCIPAL DOCUMENTS

Bond Trust Deed

The Bond Trust Deed, made between the Issuer, the CB Guarantor and the Bond Trustee prior to the first Issue Date, is the principal agreement governing the Covered Bonds. The Bond Trust Deed contains provisions relating to, *inter alia*:

(a) the constitution of the Covered Bonds and Terms and Conditions of the Covered Bonds (as more fully set out under "**Terms and Conditions of the Covered Bonds**" above);

(b) the covenants of the Issuer and the CB Guarantor;

(c) the Issuer Events of Default and the CBG Events of Default;

(d) the process for service of an Issuer Acceleration Notice and/or CBG Acceleration Notice;

(e) the enforcement procedures relating to the Covered Bonds and the Covered Bond Guarantee; and

(f) the appointment, powers and responsibilities of the Bond Trustee and the circumstances in which the Bond Trustee may resign, or retire or be removed.

The Bond Trust Deed provides that any Excess Proceeds received following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice shall be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the CB Guarantor for its own account, as soon as practicable, and shall be held by the CB Guarantor in the GI Account and the Excess Proceeds shall thereafter form part of the Collateral and shall be used by the CB Guarantor in the same manner as all other monies from time to time standing to the credit of the GI Account. Any Excess Proceeds received by the Bond Trustee shall discharge pro tanto the obligations of the Issuer in respect of the Covered Bonds and Coupons (to the extent of the amount so received and subject to restitution of the same if such Excess Proceeds shall be required to be repaid by the CB Guarantor). The obligations of the CB Guarantor under the Covered Bond Guarantee are (following service of a Notice to Pay or, as the case may be, a CBG Acceleration Notice) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds shall not reduce or discharge any of such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder shall be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the CB Guarantor in the manner as described above.

The Bond Trust Deed is governed by English law.

Covered Bond Guarantee

Under the terms of the Covered Bond Guarantee, if the Issuer defaults in the payment on the due date of any monies due and payable under or pursuant to the Bond Trust Deed or the Covered Bonds or any Coupons, or if any other Issuer Event of Default occurs (other than by reason of non-payment), and, in any such case, if the Bond Trustee has served an Issuer Acceleration Notice on the Issuer, the CB Guarantor has agreed (on a limited recourse basis and subject as described below) to pay or procure to be paid (following service of a Notice to Pay on the CB Guarantor) unconditionally and irrevocably to or to the order of the Bond Trustee (for the benefit of the Covered Bondholders) an amount equal to that portion of the Guaranteed Amounts which shall become Due for Payment but would otherwise be unpaid, as of any Original Due for Payment Date or the Extended Due for Payment Date, by the Issuer. Payment by the CB Guarantor of the Guaranteed Amounts pursuant to the Covered Bond Guarantee will be made in accordance with Condition 10(b) ("**CBG Events of Default**"). In addition, the CB Guarantor shall, to the extent it has funds available to it, make payments in respect of the unpaid portion of the Final Redemption Amount on any Interest Payment Date up until the Extended Due for Payment Date. The Bond Trustee will be required to serve a Notice to Pay on the CB Guarantor following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice on the Issuer.

Under the Covered Bond Guarantee, the Guaranteed Amounts will become due and payable on the date on which, following the occurrence of a CBG Event of Default, a CBG Acceleration Notice is served in accordance with Condition 10(b) ("**CBG Events of Default**"). Following service of a CBG Acceleration Notice, the Covered Bonds will (if an Issuer Acceleration Notice has not already been served) become immediately due and payable as against the Issuer and the obligations of the CB Guarantor under the Covered Bond Guarantee will be accelerated.

All payments of Guaranteed Amounts by or on behalf of the CB Guarantor will be made net of any withholding or deduction for, or on account of, any present or future Taxes and the CB Guarantor will account to the appropriate Tax authority for the amount required to be withheld or deducted. The CB Guarantor will not be obliged to pay additional amounts to the Bond Trustee or any Covered Bondholders in respect of any such withholding or deduction.

Under the terms of the Covered Bond Guarantee, the CB Guarantor has agreed that its obligations under the Covered Bond Guarantee shall be as principal debtor and not merely as surety or guarantor and shall be absolute and unconditional (subject to the service of a Notice to Pay or, as the case may be, a CBG Acceleration Notice on the CB Guarantor), irrespective of, and unaffected by, any invalidity, irregularity, illegality or unenforceability of, or defect in, any provisions of the Bond Trust Deed or the Covered Bonds or Coupons or any other Transaction Documents, among other things, or the absence of any action to enforce the same or the waiver, modification or consent by the Bond Trustee or 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.

Subject to the grace period specified in Condition 10(b)(i) ("**CBG Events of Default**") of the Terms and Conditions, failure by the CB Guarantor to pay the Guaranteed Amounts which are Due for Payment will result in a CBG Event of Default.

Intercompany Loan Agreement

General

Under the terms of the Intercompany Loan Agreement, the Intercompany Loan Provider has agreed to make available, to the CB Guarantor, the Intercompany Loan Facility in an amount up to the Intercompany Loan Facility Limit. The Intercompany Loan Facility is a revolving multi-currency facility.

On each Issue Date for a Tranche of Covered Bonds it is anticipated that the Intercompany Loan Provider will make an Intercompany Loan Advance to the CB Guarantor in an amount equal to either:

(a) if a Current Covered Bond Swap is entered into on the relevant Issue Date, the Principal Amount Outstanding on the Issue Date of the relevant Tranche of Covered Bonds in the Specified Currency of that Tranche of Covered Bonds; or

(b) if a Contingent 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 Tranche of Covered Bonds,

and for a matching term.

Interest will accrue and be payable on each Intercompany Loan Advance. Interest payable in respect of an Intercompany Loan Advance and an Intercompany Loan Interest Period in respect of that Intercompany Loan Advance shall be payable by the CB Guarantor (in accordance with the applicable Priority of Payments) on the related Intercompany Loan Interest Payment Date.

The interest rate on each Intercompany Loan Advance: (i) if denominated in the same currency as the related Tranche of Covered Bonds, shall match the interest rate applicable to the related Tranche of Covered Bonds;

or (ii) if denominated in Australian Dollars and the related Tranche of Covered Bonds is not denominated in Australian Dollars, shall be as set out in the relevant Intercompany Loan Advance Offer.

Each Intercompany Loan Interest Period for each Intercompany Loan Advance: (i) if denominated in the same currency as the related Tranche of Covered Bonds, shall match the Interest Period applicable to the related Tranche of Covered Bonds; or (ii) if denominated in Australian Dollars and the related Tranche of Covered Bonds is not denominated in Australian Dollars, shall be as set out in the relevant Intercompany Loan Advance Offer.

Purpose

Each Intercompany Loan Advance made will be used by the CB Guarantor (in the case of an Intercompany Loan Advance which is not denominated in Australian Dollars, upon exchange into Australian Dollars in accordance with the applicable Current Covered Bond Swap):

(a) to purchase Loans and their Related Security from the Seller pursuant to the terms of the Mortgage Sale Deed; and/or

(b) to invest in Substitution Assets or Authorised Investments in accordance with the Participation Deed; and/or

(c) if an existing Series or Tranche of Covered Bonds is being refinanced (in whole or in part) by the issue of the further Tranche of Covered Bonds to which the Intercompany Loan Advance relates, to repay the Intercompany Loan Advance(s) corresponding to the Covered Bonds being so refinanced (after exchange into the currency of such Intercompany Loan Advance(s) being repaid, if necessary);

(d) subject to written confirmation from the Trust Manager that the Asset Coverage Test is met on the relevant Intercompany Loan Drawdown Date (both before and immediately following the making of the Intercompany Loan Advance), to make a repayment of the Demand Loan; and/or

(e) make a deposit to the GI Account (including to fund the Reserve Fund Ledger in accordance with the Participation Deed).

Repayment of the Intercompany Loan

The Trust Manager must direct the CB Guarantor to pay, and upon receiving that direction the CB Guarantor will pay, amounts due in respect of each Intercompany Loan Advance in accordance with the relevant Priority of Payments.

Each Intercompany Loan Advance shall be repaid on the dates and in the amounts corresponding to redemption and/or repayment dates and amounts applicable to the related Tranche of Covered Bonds until such Intercompany Loan Advance is reduced to zero.

It has been acknowledged under the Intercompany Loan Agreement that:

(a) the CB Guarantor shall not be obliged to sell any Loans in order to pay or repay any amounts due to the Intercompany Loan Provider under the Intercompany Loan Agreement;

(b) the Issuer will not be relying on repayment of the Intercompany Loan in order to meet its repayment obligations under the Covered Bonds; and

(c) any failure by the CB Guarantor to pay any amounts due in respect of an Intercompany Loan Advance will not affect the liability of the Issuer to pay any amount in respect of the related Tranche of Covered Bonds.

If the CB Guarantor makes, or there is made on its behalf, a payment in respect of principal or interest under the Covered Bond Guarantee, in relation to any Covered Bonds (the "**Relevant Covered Bonds**"), the Intercompany Loan Provider will on such payment being made become obliged to pay to the CB Guarantor either:

(a) to the extent Intercompany Loan Advances and Demand Loan Advances are denominated in the same currency as the Relevant Covered Bonds, an amount equal to such payment; or

(b) to the extent Intercompany Loan Advances and Demand Loan Advances are denominated in Australian Dollars and the Relevant Covered Bonds are not denominated in Australian Dollars, an amount equal to the Australian Dollar Equivalent of such payment.

Any amounts payable by the Intercompany Loan Provider to the CB Guarantor under paragraphs (a) and (b) above in respect of the Relevant Covered Bonds will be set-off automatically (despite the applicable Priority of Payments) against amounts payable by the CB Guarantor under the Intercompany Loan Agreement in relation to the Intercompany Loan Advance corresponding to the Relevant Covered Bonds 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 Intercompany Loan Advance;

(b) next, to reduce and discharge the outstanding principal balance of such Intercompany Loan Advance; and

(c) next, to reduce and discharge any other amounts due and payable by the CB Guarantor to the Intercompany Loan Provider under the Intercompany Loan Agreement.

The CB Guarantor may re-borrow any amount repaid by the CB Guarantor under the Intercompany Loan for a permitted purpose.

Unless otherwise agreed by the Intercompany Loan Provider, no Intercompany Loan Advances will be made to the CB Guarantor if an Issuer Event of Default or CBG Event of Default has occurred and is subsisting.

The Intercompany Loan Agreement is governed by the law in force in New South Wales.

Demand Loan Agreement

General

Under the terms of the Demand Loan Agreement, the Demand Loan Provider has agreed to make available, to the CB Guarantor, the Demand Loan Facility in an amount up to the Demand Loan Facility Limit. The Demand Loan is a revolving Australian Dollar facility

Purpose

The CB Guarantor will use the Demand Loan Advances made to it from time to time:

(a) to purchase Loans from the Seller in accordance with the Mortgage Sale Deed; and/or

(b) to invest in Substitution Assets or Authorised Investments in accordance with the Participation Deed; and/or

(c) to repay an Intercompany Loan Advance on the date on which the Tranche of Covered Bonds corresponding to such Intercompany Loan Advance matures; and/or

(d) to rectify a failure to satisfy the Asset Coverage Test; and/or

(e) to rectify an Interest Rate Shortfall; and/or

(f) to reimburse the Seller in respect of Further Advances; and/or

(g) for such purpose as may be agreed from time to time between the CB Guarantor (at the direction of the Trust Manager) and the Demand Loan Provider.

More specifically:

(a) if, on an Assignment Date for any Loans, the aggregate of:

(i) the proceeds of the related Intercompany Loan Advance (if any) to be made on that date; and

(ii) the Available Principal Amount available to be applied in accordance with the Pre-Acceleration Principal Priority of Payments,

is not sufficient to pay the Purchase Price for such Loans in full in accordance with the Mortgage Sale Deed, the Trust Manager (on behalf of the CB Guarantor) must request a Demand Loan Advance (an "**Acquisition Demand Loan Advance**") in an amount sufficient to allow the CB Guarantor to pay such Purchase Price in full;

(b) if, on the Final Maturity Date of a Tranche of Covered Bonds, the aggregate of (without double counting):

(i) the proceeds of the sale of Loans by the CB Guarantor to the Seller on that date (after being swapped if necessary under the related Covered Bond Swap);

(ii) the Available Principal Amount available to be applied in accordance with the Pre-Acceleration Principal Priority of Payments; and

(iii) the proceeds of any Intercompany Loan Advance available to be used,

is not sufficient to repay the Intercompany Loan Advance corresponding to such Tranche of Covered Bonds, the Trust Manager (on behalf of the CB Guarantor) must request a Demand Loan Advance (a "**Final Maturity Demand Loan Advance**") in an amount sufficient to allow the CB Guarantor to repay that Intercompany Loan Advance in full;

(c) if the Asset Coverage Test is not satisfied as at any Determination Date, the CB Guarantor (at the direction of the Trust Manager) must request a Demand Loan Advance (an "**Asset Coverage Test Demand Loan Advance**") in an amount sufficient to ensure that the Asset Coverage Test is satisfied as of the next Determination Date;

(d) if, on the Determination Date immediately following the end of the Collection Period during which a Further Advance is made, the Trust Manager determines that the Available Principal Amount, that is available to be applied on the next CBG Payment Date in accordance with the relevant Priority of Payments, will be insufficient to reimburse the Seller for funding that Further Advance, the Trust Manager may direct the CB Guarantor to request a Demand Loan Advance Redraw (a "**Reimbursement Demand Loan Advance**") in an amount necessary for funding that Further Advance.

The Demand Loan Interest Period in respect of a Demand Loan Advance will be (i) initially, the period from (and including) the Demand Loan Drawdown Date in respect of that Demand Loan Advance to (but excluding) the immediately following CBG Payment Date; and (ii) thereafter, each period from (and including) a CBG Payment Date to (but excluding) the immediately following CBG Payment Date.

Interest will accrue and be payable on each Demand Loan Advance. Interest payable in respect of a Demand Loan Advance and a Demand Loan Interest Period in respect of that Demand Loan Advance shall be payable by the CB Guarantor (in accordance with the applicable Priority of Payments) on the CBG Payment Date on which that Demand Loan Interest Period ends.

The interest rate on each Demand Loan Advance shall be the rate of interest per annum notified by the Demand Loan Provider to the Trust Manager and the CB Guarantor on or prior to the commencement of a Demand Loan Interest Period.

Senior Portion Outstanding

The principal amount outstanding of the Demand Loan will be notionally split into two components, being (i) the Senior Portion Outstanding; and (ii) the remaining balance.

The "**Senior Portion Outstanding**" is the amount equal to the lesser of:

(a) the amount notified by the Demand Loan Provider to the CB Guarantor and the Trust Manager from time to time;

(b) the amount equal to the aggregate Outstanding Principal Balance of Loans which, if sold by the CB Guarantor with the proceeds of such sale being used to repay the Demand Loan, would result in the Adjusted Aggregate Loan Amount equalling the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds.

Repayment of the Demand Loan

The Demand Loan Provider may from time to time request the CB Guarantor to make repayment of all or part of the Demand Loan (including the Senior Portion Outstanding).

If a demand for repayment of all or part of the Demand Loan is given no less than one AU Business Day before a Determination Date, the Trust Manager will direct the CB Guarantor to repay the Demand Loan on the next CBG Payment Date by an amount determined by the Trust Manager to be equal to the lesser of:

(a) the amount requested to be repaid; and

(b) either:

  (i) zero (if an Asset Coverage Test Breach Notice has been given and has not been revoked) or

  (ii) the maximum amount that will not result in a breach of the Asset Coverage Test after giving effect to such repayment.

Each Interest Rate Shortfall Demand Loan Advance will be due and payable by the CB Guarantor on each CBG Payment Date in accordance with and subject to the relevant Priority of Payments.

In Kind Distribution

Except to the extent that the Trust Manager determines that funds are to be available for the purpose of repaying all or part of the Senior Portion Outstanding of the Demand Loan pursuant to the relevant Priority of Payments, the CB Guarantor and the Demand Loan Provider have agreed that any obligation of the CB Guarantor to repay all or part of the Senior Portion Outstanding of the Demand Loan under the Demand Loan Agreement is to be satisfied by either:

(a) extinguishing the CB Guarantor's interest in Loans and Related Security in favour of the Demand Loan Provider; or

(b) if title to the relevant Loans and Related Security has been perfected, transferring Loans and Related Security to the Demand Loan Provider,

on the relevant CBG Payment Date or other date on which the Senior Portion Outstanding of the Demand Loan (or part of it) is required to be repaid in accordance with this document ("**Demand Loan Repayment Date**").

The Trust Manager shall on the AU Business Day immediately prior to the relevant Demand Loan Repayment Date prepare, and provide to the CB Guarantor, the Security Trustee, the Trust Manager and the Demand Loan Provider, a Demand Loan Repayment Notice which specifies the relevant Loans and Related Security, Authorised Investments and/or Substitution Assets (the "**Demand Loan Repayment Assets**") to be extinguished in favour of, or transferred to, the Demand Loan Provider on that Demand Loan Repayment Date as described above.

The Trust Manager will select the Demand Loan Repayment Assets from the Senior Demand Loan Asset Register (if such a register is maintained in accordance with the Participation Deed) or otherwise on a random basis (in the case of Loans and Related Securities) or on such basis as it shall determine (in the case of Authorised Investments and Substitution Assets), such that the aggregate Outstanding Principal Balance of such Loans and the aggregate principal amount of such Authorised Investments and Substitution Assets as at the relevant repayment date is as close as reasonably possible to, and in any event less than or equal to, the Senior Portion Outstanding of the Demand Loan that is required to be repaid.

With effect from the relevant Demand Loan Repayment Date, title to the relevant Demand Loan Repayment Assets will be extinguished in favour of, or transferred to, the Demand Loan Provider and the CB Guarantor's obligation to repay the Demand Loan (in an amount equal to the aggregate principal balance of the Demand Loan Repayment Assets as at the Demand Loan Repayment Date) will be fully and finally discharged.

The Demand Loan Agreement provides that (i) the rights given to the Demand Loan Provider under the Demand Loan Agreement (including, without limitation, the rights to demand, and receive, repayment of the Demand Loan) are not affected by an ADI statutory manager (as defined in section 13A of the Banking Act) being in control of the Demand Loan Provider's business; and (ii) an ADI statutory manager in control of the Demand Loan Provider's business is entitled to exercise any of the rights of the Demand Loan Provider under the Demand Loan Agreement.

The CB Guarantor may re-borrow any amount repaid by the CB Guarantor under the Demand Loan for a permitted purpose.

Unless otherwise agreed by the Demand Loan Provider, no Demand Loan Advances will be made to the CB Guarantor if an Issuer Event of Default or CBG Event of Default has occurred and is subsisting.

The Demand Loan Agreement is governed by the law in force in New South Wales.

Mortgage Sale Deed

Sale by the Seller of the Loans and Related Security

The Trust Assets of the Bendigo and Adelaide Bank Covered Bond Trust will include portfolios of Loans and their Related Security sold from time to time by the Seller to the CB Guarantor in accordance with the terms of the Mortgage Sale Deed. The types of Loans forming part of the Trust Assets of the Bendigo and Adelaide Bank Covered Bond Trust will vary over time provided that the Eligibility Criteria (as described below) in respect of such Loans are met on the Cut-Off Date immediately preceding the relevant Assignment Date. Accordingly, the Trust Assets may, at any time, include Loans with different characteristics from Loans that were acquired by the CB Guarantor on previous Assignment Dates.

Prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice or a CBG Event of Default and service of a CBG Acceleration Notice, the CB Guarantor may acquire the Loans and their Related Security from the Seller in certain circumstances.

In particular, the Loans must be maintained at all times in compliance with the Asset Coverage Test (as determined by the Trust Manager on each Determination Date).

In addition, at the time that Covered Bonds are issued under the Programme, the Intercompany Loan Provider may make Intercompany Loan Advances to the CB Guarantor and the Demand Loan Provider may make Demand Loan Advances to the CB Guarantor, the proceeds of which may be applied in whole or in part by the CB Guarantor to acquire Loans and their Related Security from the Seller.

The CB Guarantor may also, in certain circumstances, use Available Principal Amounts to acquire Loans and their Related Security from the Seller on each CBG Payment Date in accordance with the relevant Priority of Payments.

The CB Guarantor may, at the direction of the Trust Manager, accept an offer from the Seller for the sale of a Loan and its Related Security by payment of the Purchase Price for those Loans equal to the Outstanding Principal Balance of those Loans as at the Cut-Off Date immediately preceding the relevant Assignment Date. This will be satisfied by a payment in Australian Dollars to be made by the CB Guarantor from the proceeds of any combination of an Intercompany Loan Advance under the Intercompany Loan Agreement, a Demand Loan Advance under the Demand Loan Agreement and/or Available Principal Amounts available to be applied in accordance with the Pre-Acceleration Principal Priority of Payments, as determined by the Trust Manager.

Adjustment of the purchase price

On or before the second CBG Payment Date falling immediately after an Assignment Date, the CB Guarantor shall pay to the Seller the Accrued Interest Adjustment in respect of the Loans and their Related Security assigned to the CB Guarantor on that Assignment Date in accordance with the applicable Priority of Payments. If there is a shortfall in funds available to pay such Accrued Interest Adjustment Amount, the shortfall will be payable on subsequent CBG Payment Dates in accordance with the applicable Priority of Payments until paid in full. Additionally, on or before the second CBG Payment Date falling immediately after an Assignment Date, the Seller will pay to the CB Guarantor, or as the Trust Manager on behalf of the CB Guarantor directs, as an adjustment to the Purchase Price, an amount equal to any Principal Collections received by the Seller, in relation to the Loans and their Related Security assigned to the CB Guarantor on that Assignment Date, during the period from (but excluding) the relevant Cut-Off Date to (but excluding) that Assignment Date.

Trust Manager not to direct acceptance of Sale Notice in certain circumstances

The Trust Manager has agreed that it will not direct the CB Guarantor to accept any Sale Notice unless at the relevant Assignment Date:

(a) there has not occurred an Issuer Event of Default or a CBG Event of Default;

(b) the Trust Manager has given notice of such assignment to the Rating Agencies; and

(c) such assignment is not prohibited by the Banking Act or any direction from APRA to the Seller pursuant to the Banking Act.

However, a failure by the Trust Manager to comply with the above will not invalidate any sale or assignment made in accordance with the Mortgage Sale Deed.

On the relevant Assignment Date, the Representations and Warranties (described below under – *Representations and Warranties*) will be given by the Seller in respect of the Loans and their Related Security sold by the Seller to the CB Guarantor on that Assignment Date.

The sale of the Loans and their Related Security by the Seller to the CB Guarantor is, and will take effect as, an equitable assignment of the Seller's rights, title, interest and benefit in and to the Loans, their Related Security and the other assets which are being sold. Where Other Secured Liabilities exist in respect of the

Related Security in relation to a Loan which is sold by the Seller to the CB Guarantor, the Seller may also offer to sell such Other Secured Liability to the CB Guarantor in the relevant Sale Notice. However, the CB Guarantor, in accordance with the terms of the Mortgage Sale Deed, agrees to hold the Trust Back Assets (which include Other Secured Liabilities) on bare trust for the Seller. Accordingly, such Other Secured Liabilities (including any income generated from such Other Secured Liabilities) is not included as part of the Loans, as Available Income Amounts or as Available Principal Amounts, but rather as Third Party Amounts.

Perfection of the Assignment of the Loans and their Related Security to the CB Guarantor

The perfection of the assignment of the Loans and their Related Security to the CB Guarantor will only take place in the limited circumstances described below.

A "**Title Perfection Event**" occurs in respect of the following Loans (the "**Affected Loans**"):

(a) in respect of all Loans, on the service of an Issuer Acceleration Notice by the Issuer (unless the Seller has notified the CB Guarantor that it will accept the offer set out in the Selected Loan Offer Notice within the prescribed time in which case a Title Perfection Event in respect of the relevant Selected Loans will be deemed not to have occurred) on the CB Guarantor;

(b) in respect of all Loans, on the service of a CBG Acceleration Notice on the CB Guarantor;

(c) in respect of Selected Loans only, at the request of the CB Guarantor or the Trust Manager on its behalf following the acceptance of any offer to sell the Selected Loans and their Related Security to any person who is not the Seller;

(d) in respect of the Affected Loans only, the Seller and/or the CB Guarantor being required, by an order of a court of competent jurisdiction, or by a regulatory authority to which the Seller is subject, to perfect the CB Guarantor's legal title to the Loans and their Related Security;

(e) in respect of the Affected Loans only, on it being rendered necessary by law to perfect CB Guarantor's legal title to the Loans and their Related Security;

(f) in respect of all Loans, on the termination of the Seller's role as servicer of the Bendigo and Adelaide Bank Covered Bond Trust under the Servicing Deed unless the substitute servicer, if any, is a member of the Group;

(g) in respect of the Affected Loans only, on the Seller giving notice to the CB Guarantor requesting the perfection of legal title to the Loans and the Related Security;

(h) in respect of all Loans, on the occurrence of an Insolvency Event in relation to the Seller; or

(i) in respect of all Loans, if the Seller's:

  (i) unsecured, unsubordinated long term debt obligations are rated less than BBB- from Fitch; or

  (ii) counterparty risk assessment from Moody's is less than Baa3(cr) or, if the Seller does not have a counterparty risk assessment from Moody's, its unsecured, unsubordinated long term debt obligations are rated less than Baa3 from Moody's,

  or such lower rating or counterparty risk assessment (as applicable) that will not result in an Adverse Rating Effect.

Pending perfection of title, the right of the CB Guarantor to exercise the powers of the legal owner of the Mortgages will be secured by an irrevocable power of attorney granted by the Seller in favour of the CB Guarantor.

If a Title Perfection Event has occurred and is subsisting in respect of any Affected Loans the Trust Manager must, as soon as practicable and in any event within 20 AU Business Days of the Trust Manager becoming aware of the occurrence of the Title Perfection Event, direct any or all of the CB Guarantor, the Seller or the Servicer to take steps to perfect the CB Guarantor's interest in, and title to, the Affected Loans and their Related Security (including providing details of what actions the CB Guarantor is to take) and the CB Guarantor, the Seller and the Servicer (as applicable) must take such steps as directed, which may include:

(a) signing (where necessary under the relevant Seller Power of Attorney) and lodging or submitting any transfer or caveat with the relevant land titles office of the appropriate jurisdiction to achieve registration of the relevant Affected Loans and their Related Security in the name of the CB Guarantor;

(b) the giving of notice to each Borrower or any other relevant person (including any guarantor or insurer) of the assignment of the relevant Affected Loans and their Related Security to the CB Guarantor in accordance with the terms of the Mortgage Sale Deed;

(c) requiring each Borrower to make all payments in respect of the relevant Affected Loans to the GI Account;

(d) subject to and in accordance with the terms of the relevant Affected Loans and applicable Law, promptly commence the process and do all things necessary for terminating Loan Offset Deposit Account arrangements in respect of the relevant Affected Loans; and

(e) any other step as may be reasonably required by the Trust Manager or the CB Guarantor in writing.

In addition, following the occurrence of a Title Perfection Event in respect of any Affected Loans, the Seller will upon request by the Trust Manager on behalf of the CB Guarantor:

(a) give any notice to the Borrowers and any other relevant person (including any guarantor or insurer) of the assignment of the relevant Affected Loans and their Related Security to the CB Guarantor; and

(b) execute all such documents and do all such acts and things as the Trust Manager may reasonably require to assist the CB Guarantor to protect or perfect the CB Guarantor's interest in, and title to, the Affected Loans and their Related Security.

Representations and Warranties

None of the CB Guarantor, the Security Trustee or the Bond Trustee has made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Loans and their Related Security to be sold to the CB Guarantor. Instead, each is relying entirely on the Representations and Warranties by the Seller contained in the Mortgage Sale Deed. The Seller and the Trust Manager on behalf of the CB Guarantor may waive any Representation and Warranty provided that a Ratings Notification has been delivered by the Trust Manager in respect of any such waiver.

The Seller makes, in favour of the CB Guarantor, the following representations and warranties (the "**Representations and Warranties**") in relation to each Loan assigned by the Seller to the CB Guarantor under the Mortgage Sale Deed on the relevant Assignment Date in respect of each such Loan (or, in respect of the Representation and Warranty set out in paragraph (a)(ii) below) on the date of the relevant Product Switch or Further Advance in respect of each such Loan:

(a) The Loan satisfies the Eligibility Criteria as at each of:

(i) the relevant Cut-Off Date; and

(ii) the date of any relevant Product Switch or Further Advance in respect of the Loan (and taking into account the making of such Product Switch or Further Advance and interpreted

as if each reference to the Cut-Off Date in the Eligibility Criteria was a reference to the date of the relevant Product Switch or Further Advance).

(b) At the time that the Seller entered into the Loan, the Loan complied in all material respects with all applicable laws (including the National Credit Code).

(c) At the time that the Seller entered into the Loan, it did so in good faith.

(d) At the time that the Seller entered into the Loan, the Loan was originated in the ordinary course of the Seller's business.

(e) At the time that the Seller entered into the Loan, the Seller had not received any notice:

(i) of the insolvency or the bankruptcy of the Borrower; or

(ii) that the Borrower did not have the legal capacity to enter into the Loan.

(f) On acceptance of the relevant Sale Notice by CB Guarantor in accordance with clause 3.1 ("Manner of acceptance of offer") of the Mortgage Sale Deed:

(i) the Seller will be the sole legal owner of the Loan and its Related Security; and

(ii) the CB Guarantor will be the beneficial owner of the Loan and its Related Security.

(g) To the extent the Loan and its Related Security is required to be stamped with stamp duty, it has been duly stamped.

(h) The Loan has not been satisfied, cancelled, discharged or rescinded and the property relating to its Related Security has not been released from the security of that Related Security.

(i) The Seller holds, in accordance with the Servicing Guidelines, all documents which it should hold to enforce the provisions of, and the security created by, the Related Security.

(j) Other than the relevant Loan Terms and documents entered into in accordance with the Servicing Guidelines (including documents (if any) relating to a Loan Offset Deposit Account), there are no documents entered into between the Seller and the Borrower or any other relevant party in relation to the Loan which would qualify or vary the terms of the Loan.

(k) Other than in respect of priorities granted by statute, the Seller has not received notice from any person that it claims to have an Encumbrance ranking in priority to or equal with the Encumbrance held by the Seller and constituted by the relevant Mortgage.

(l) Except in respect of Loan which is 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 or any provision of the Banking Code of Practice (or any other code or arrangement binding on the Seller and any laws applicable to banks or other lenders in the business of making retail home loans) or by any court, tribunal, authority, ombudsman or other entity whose decisions, findings, orders, judgment or determinations (howsoever reached) are binding on the Seller, the Loan is not subject to any limitation and no consent, additional memoranda or other writing is required from the Borrower to give effect to a change in the interest rate payable on the Loan and, subject to the foregoing, any change in the interest rate may be set at the sole discretion of the Seller.

(m) The Seller is lawfully entitled to sell and assign its interest in the Loan and to transfer valid and beneficial title in the Loan to the CB Guarantor free of all Encumbrances and, so far as the Seller is aware, adverse claims or other third party rights or interests.

(n) The sale of the Seller's interest in the Loan will not constitute a breach of any of its obligations, or a default under, any Encumbrance granted by it or affecting any of its assets.

(o) If there is an additional registered mortgage in existence over Property the subject of a Mortgage in relation to the Loan and the Seller is not the mortgagee of that additional mortgage, the Seller has ensured (by way of a priority agreement with the relevant mortgagee) that the Mortgage will rank ahead in priority to that additional mortgage on enforcement for an amount not less than the Outstanding Principal Balance (plus accrued but unpaid interest) on the Loan plus such extra amount determined in accordance with the Servicing Guidelines.

(p) The Loan is enforceable in accordance with its terms in all material respects (subject to principles of equity and laws relating to insolvency and creditors' rights generally).

(q) The Loan Terms of the Loan require payments in respect of the Loan to be made free of set-off, unless prohibited by law and subject to any right of set-off arising under any Loan Offset Deposit Account in respect of the Loan.

The "**Eligibility Criteria**" for each Loan are as follows:

(a) the Loan is denominated and payable only in Australian Dollars;

(b) the Related Security in respect of the Loan includes a Mortgage that is, or will be when registered, a first ranking mortgage over Property situated in Australia;

(c) the Loan is secured by a Mortgage over a Property which has erected on it a residential dwelling;

(d) the Loan has a total principal amount outstanding of no greater than A$2,500,000;

(e) the relevant Borrower is required to repay the Loan within 30 years of the relevant Cut-Off Date;

(f) the Loan is not 31 days or more in arrears;

(g) the Loan is assignable in equity without prior consent being required from, or notice of the assignment needing to be given to, the Borrower or any other person;

(h) the Loan is not subject to an interest only payment period of more than 10 years;

(i) the relevant Borrower has made at least one monthly payment or two fortnightly payments in respect of the Loan; and

(j) the Loan has not been applied and is not to be applied, in whole or part, for the purpose of funding initial construction of a dwelling on the Property securing the Loan unless that construction has been completed.

Repurchase of Loans and their Related Security on a breach of a representation and warranty

If any of the Representations or Warranties in respect of any Loan and/or its Related Security (excluding the Representation and Warranty set out in paragraph (a)(ii) above) is materially untrue as at the relevant Assignment Date for such Loan or Related Security, and provided that:

(a) at least 10 AU Business Days have passed since notice in writing of such breach of Representation or Warranty was given by the Seller, the CB Guarantor, the Servicer or the Trust Manager to each of the other parties to the Mortgage Sale Deed and the Security Trustee; and

(b) such breach is not waived by the CB Guarantor or the Trust Manager on behalf of the CB Guarantor or, where capable of remedy, is not remedied by the Seller to the reasonable satisfaction of the CB Guarantor (acting in its discretion) within the 10 AU Business Day period (or such longer period as the Trust Manager may direct the CB Guarantor provided that a Ratings Notification has been delivered in respect of such longer period),

then the Trust Manager on behalf of the CB Guarantor must deliver to the Seller a Loan Repurchase Notice requiring the Seller to repurchase the relevant Loan and its Related Security.

The repurchase price payable upon the repurchase of any such Loan is an amount equal to the aggregate Outstanding Principal Balance of each Loan specified in the Loan Repurchase Notice as of the relevant Cut Off Date together with any amounts deducted from the amounts outstanding under such Loan as a result of any breach of the Representations and Warranties (whether by set-off, concession or otherwise).

Completion of such repurchase shall take place:

(a) (if the Seller receives the relevant Loan Repurchase Notice on or prior to the day which is five AU Business Days prior to the last day of the then current Calculation Period) on the last AU Business Day of the then current Calculation Period (or such other date as is agreed between the Trust Manager and the Seller provided such date must not be later than 90 days after the date of the Loan Repurchase Notice); or

(b) (if the Seller receives the Loan Repurchase Notice after the day which is five AU Business Days prior to the last day of the then current Calculation Period) the last AU Business Day of the immediately following Calculation Period (or such other date as is agreed between the Trust Manager and the Seller provided such date must not be later than 90 days after the date of the Loan Repurchase Notice).

The CB Guarantor's sole remedy in respect of a breach of any of the Representations and Warranties shall be to sell the relevant Loan and its Related Security to the Seller and the CB Guarantor acknowledges and agrees that it shall have no right to make any claim to damages, costs, losses or any other amounts against the Seller as a consequence of such breach, other than as a direct consequence of the Seller failing to perform its obligations to repurchase the applicable Loan and its Related Security.

Repurchase following a Product Switch or Further Advance

(a) If:

(i) the Seller accepts an application from, or makes an offer (which is accepted) to, a Borrower for a Product Switch or Further Advance in respect of any Loan; and

(ii) either:

(A) as a consequence of such Product Switch or Further Advance, the Representation and Warranty set out in paragraph (a)(ii) above is breached on the date of such Product Switch or Further Advance; or

(B) in the case of a Further Advance only, the Trust Manager determines that it will not direct the CB Guarantor to reimburse the Seller for funding that Further Advance,

the CB Guarantor is deemed, under the Mortgage Sale Deed, to offer to assign to the Seller such Loan and its Related Security.

(b) Where the CB Guarantor makes an offer in accordance with paragraph (a) above in respect of a Loan, the Seller must repurchase such Loan by paying the repurchase price on:

(i) the last AU Business Day of the Calculation Period immediately following Calculation Period during which such Product Switch or Further Advance is made; or

(ii) such other date as is agreed between the Trust Manager and the Seller provided such date must not be later than 90 days after the date of the Product Switch or Further Advance,

in an amount equal to the Outstanding Principal Balance of such Loan as of the relevant Cut-Off Date.

(c) A Loan will be subject to a "**Product Switch**" if there is a material variation in the terms and conditions applicable to the Loan or Related Security (including any release of a Related Security) other than:

(i) any variation agreed with a Borrower to control or manage arrears on the Loan;

(ii) any variation to the maturity date of the Loan;

(iii) any variation required to comply with Law;

(iv) any variation of the principal available and/or the rate of interest payable in respect of the Loan where that variation or rate is offered to the Borrowers under Loans which constitute 10% or more by Outstanding Principal Balance of all Loans in any CBG Payment Period or to all Borrowers of Loans which are Variable Rate Loans or to all Borrowers of Loans which are Fixed Rate Loans; or

(v) any variation in the frequency with which the interest payable in respect of the Loan is charged.

Repurchase following Repurchase Event

(a) If any of the following events occur in respect of a Loan:

(i) the Loan becomes a Defaulted Loan;

(ii) a Related Security in respect of the Loan is discharged other than in relation to a Product Switch;

(iii) the Loan is repaid in full;

(iv) the Seller or the Servicer becomes aware that the name of the Borrower or a grantor of Related Security in respect of the Loan as recorded on the Seller's loan system is different from the name of the Borrower or grantor (as applicable) on the relevant Title Documents;

(v) the Seller is required by Law to repurchase the Loan and its Related Security; or

(vi) a binding determination is made by a relevant Government Agency that materially adversely affects the enforceability of the relevant Borrower's obligation to pay interest under the Loan under applicable Law,

(each, a "**Repurchase Event**"), then (subject to paragraph (c) below) the CB Guarantor is deemed, under the Mortgage Sale Deed, to offer to assign such Loan and its Related Security to the Seller.

(b) Where the CB Guarantor makes an offer in accordance with paragraph (a) above in respect of a Loan, the Seller must repurchase such Loan by paying the repurchase price on:

(i) (where the Repurchase Event occurs on or prior to the day which is 5 AU Business Days prior to the last day of the then current Calculation Period) the last AU Business Day of the then current Calculation Period (or such other date as is agreed between the Trust Manager and the Seller provided such date must not be later than 90 days after the date of the Repurchase Event); or

(ii) (where the Repurchase Event occurs on or prior to the day which is after the day which is 5 AU Business Days prior to the last day of the then current Calculation Period) the last

AU Business Day of the immediately following Calculation Period (or such other date as is agreed between the Trust Manager and the Seller provided such date must not be later than 90 days after the Repurchase Event),

in an amount equal to the Outstanding Principal Balance of such Loan as of the relevant Cut-Off Date.

(c) The Seller may at any time upon written notice to the CB Guarantor and the Trust Manager revoke the Seller's obligation to repurchase any or all of the Loans and Related Security under paragraphs (a) and (b) above

General ability to repurchase

The Seller may at any time request the CB Guarantor to offer to sell to the Seller any Loan and its Related Security (and any Other Secured Liability in respect of that Related Security) by delivery to the CB Guarantor (with a copy to the Trust Manager) of a Loan Repurchase Notice. On receipt of such a request from the Seller, the Trust Manager on behalf of the CB Guarantor may offer to sell to the Seller the relevant Loan and its Related Security (and any Other Secured Liability in respect of that Related Security) referred to in the request. The CB Guarantor will be deemed to offer to sell to the Seller that Loan and its Related Security (and any Other Secured Liability in respect of that Related Security) if the Trust Manager on behalf of the CB Guarantor does not communicate an intention to make or not make an offer to sell by 4pm on the AU Business Day immediately following the day on which the CB Guarantor received the request from the Seller.

Where the CB Guarantor has offered to sell or been deemed to offer to sell the relevant Loan, the Seller shall, on or after the date of the offer from the CB Guarantor, pay to the GI Account (or as the Trust Manager on behalf of the CB Guarantor shall direct) an amount equal to the Outstanding Principal Balance of such Loan as of the relevant Cut-Off Date.

Right of Pre-emption

Following:

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

(b) an Issuer Event of Default and the service of a Notice to Pay on the CB Guarantor,

the Trust Manager must direct the CB Guarantor to and, upon receiving that direction, the CB Guarantor must use best efforts to sell Selected Loans in accordance with the procedures set out in the Participation Deed.

However, under the terms of the Mortgage Sale Deed, the Seller has a right of pre-emption in respect of any such sale, in whole or in part, of Selected Loans and their Related Security. Prior to making an offer to assign Selected Loans to other purchasers in the circumstances described in paragraphs (a) and (b) above, the Trust Manager (on behalf of the CB Guarantor) will serve on the Seller a Selected Loan Offer Notice offering to sell those Selected Loans and their Related Security to the Seller. The Seller may accept such an offer on:

(a) (subject to paragraph (b) below) provided that the Seller receives such Selected Loan Offer Notice no later than five AU Business Days prior to the last day of the relevant Calculation Period (or such shorter period as the Seller and the CB Guarantor may agree), the AU Business Day that falls immediately prior to the last day of the Calculation Period during which the Seller received such Selected Loan Offer Notice (or such later date as may be agreed between the Trust Manager and the Seller); and

(b) where a Notice to Pay has been served on the CB Guarantor, the earlier to occur of the date which is:

(i) 10 AU Business Days after receipt by the CB Guarantor of the Selected Loan Offer Notice; and

(ii) the Final Maturity Date of the Earliest Maturing Covered Bonds.

If an Issuer Event of Default has occurred and is continuing, the Seller's right to accept the offer (and therefore its right of pre-emption) will be conditional upon the delivery by the Seller of a solvency certificate to the CB Guarantor and Trust Manager.

Repurchase adjustment

On or before the first CBG Payment Date falling after the relevant date of completion of any repurchase by the Seller of any Loans and their Related Security (such date, the "**Repurchase Completion Date**"):

(a) the Seller shall pay to the CB Guarantor an amount equal to the Accrued Interest on the Loans and their Related Security repurchased from the CB Guarantor, up to (but excluding) the relevant Repurchase Completion Date; and

(b) the CB Guarantor will pay to the Seller in accordance with the applicable Priority of Payments as an adjustment to the repurchase price an amount (as notified by the Trust Manager to the CB Guarantor) equal to any Principal Collections received by the CB Guarantor (or the Servicer on its behalf) in relation to such Loans or Selected Loans (as the case may be) from (but excluding) the relevant Cut-Off to (but excluding) the relevant Repurchase Completion Date.

Loan Offset Amount

If the Basis Swap is not in effect in accordance with its terms, the Seller agrees to pay to the CB Guarantor, at least 2 AU Business Days prior to each CBG Payment Date, the Loan Offset Amount for the Calculation Period ending immediately prior to that CBG Payment Date.

Trust Back

Where any Related Security secures Other Secured Liabilities and/or where any Other Secured Liabilities are assigned to the CB Guarantor, then such Trust Back Assets shall be held by the CB Guarantor on bare trust for the Seller subject to certain conditions set out in the Mortgage Sale Deed.

Subject to the terms of the Mortgage Sale Deed, the Seller is entitled to deal with the Trust Back Assets in its absolute discretion, and the Trust Manager must not direct the CB Guarantor to, and the CB Guarantor must not without direction from the Trust Manager, deal with any Trust Back Assets other than in accordance with directions given by the Seller, in accordance with the Transaction Documents or, to the extent necessary, to exercise and enforce any Loan or Related Security. The Trust Back Assets do not form part of the Collateral of the CB Guarantor and are not available as collateral securing any obligations of the Issuer or the CB Guarantor in respect of the Covered Bonds.

The CB Guarantor must act in accordance with any direction given to it by the Seller in respect of any Trust Back Assets, except that the CB Guarantor is not obliged to act in accordance with the direction of the Seller where to do so would be illegal, or would materially prejudice the interests of the Covered Bondholders or the exercise of the CB Guarantor's rights and interests in relation to the relevant Loan or Related Security, or otherwise be contrary to the terms of the Transaction Documents. The CB Guarantor will have no liability for acting on a direction of the Seller under this paragraph.

Subject to the priority of payments in respect of Trust Back Assets (as described below), the Seller may retain any proceeds received by it from any Trust Back Assets, and the CB Guarantor (at the direction of the Trust Manager) and the Servicer must immediately on the Trust Manager or Servicer (as the case may be) becoming aware that it or the CB Guarantor has received any proceeds of Trust Back Assets, pay to the Seller any proceeds the Servicer or the CB Guarantor (as applicable) receives in respect of the Trust Back Assets.

The Trust Manager must not direct the CB Guarantor to, and the CB Guarantor must not without a direction from the Trust Manager dispose of, or create an interest in, a Related Security which also secures, or relates to, Other Secured Liabilities, unless the terms of any agreement in respect of the disposal of, or the creation of the interest in, such Loan and/or Related Security (except where the agreement is with the Seller) includes trust back undertakings by the relevant third party acquirer on substantially the same terms as those contained in the Mortgage Sale Deed which are in favour of, and enforceable by, the Seller and any third party purchaser of an Other Secured Liability, unless expressly agreed otherwise by the Seller.

If the Seller reasonably believes that the CB Guarantor or the Security Trustee intends to dispose of, or create an interest in, a Related Security which also secures, or relates to, Other Secured Liabilities without notifying the relevant third party acquirer of the relevant Trust Back or requiring the third party acquirer to give trust back undertakings in favour of the Seller, the Seller may lodge a caveat to protect its interest in the relevant Trust Back Assets.

In the event that the Seller disposes of, or creates any interest in an Other Secured Liability to, or in favour of, a third party, then, unless expressly agreed otherwise by the Seller, the CB Guarantor agrees to do such acts or things as the Seller may reasonably require the CB Guarantor to do, including entering into trust back undertakings in favour of the relevant third party on the same terms as those contained in the Mortgage Sale Deed, so as to transfer to the relevant third party the benefit of the Trust Back in respect of such Other Secured Liabilities.

All monies received by the Seller, the Servicer, the Trust Manager or the CB Guarantor or any receiver, receiver and manager or attorney under or in relation to any Related Security which also secures, or relates to, any Other Secured Liability as a result of the enforcement of the Related Security is to be applied in the following order of priority (in each case if and only to the extent that payments or provisions of a higher priority have been paid in full):

(a) first, subject to certain exceptions in respect of enforcement expenses, in the following order of priority:

  (i) all costs, charges and expenses of the relevant mortgagee or any receiver, receiver and manager or attorney incurred in or incidental to the exercise or performance or attempted exercise or performance of any right, power or remedy in relation to such Related Security;

  (ii) all outgoings in relation to such Related Security which the mortgagee or any receiver, receiver and manager or attorney thinks fit to pay; and

  (iii) the remuneration of any receiver or receiver and manager;

(b) second, in satisfaction of amounts owing to the CB Guarantor under such Related Security and the Loan secured by the Related Security; and

(c) third, the Other Secured Liability for all amounts now or in the future owing under that Other Secured Liability and/or secured by the Related Security that relate to that Other Secured Liability.

The priority of payments set out above applies in respect of any amounts received as a result of the enforcement of a Related Security prior to, and separate from, any Priority of Payments, so that only amounts received or receivable by the CB Guarantor after the application of the priority of payments set out above shall be applied under any Priority of Payments. The CB Guarantor shall not be liable for any shortfall arising as a result of the application of receipts in accordance with the priorities of payments set out above.

The Mortgage Sale Deed is governed by the laws of New South Wales, Australia.

Servicing Deed

Pursuant to the terms of the Servicing Deed, the CB Guarantor has appointed the Servicer as the exclusive servicer of the Bendigo and Adelaide Bank Covered Bond Trust.

The Servicer is required to administer and service the Loans:

(a) in accordance with the Servicing Deed and having regard to the interests of the CB Guarantor; and

(b) to the extent not otherwise expressly provided for in the Servicing Deed, in accordance with the Servicing Guidelines as that is applied by the Servicer in the ordinary course of its business and using the degree of diligence and care reasonably expected of a prudent servicer of receivables similar to the Loans.

The Servicer has, subject to the terms of Servicing Deed, the full power, authority and right to do or cause to be done any and all things which it reasonably considers necessary, convenient or incidental to the administration and servicing of the Loans and their Related Security or the exercise of such rights, powers and discretions.

Undertakings of the Servicer

Pursuant to the terms of the Servicing Deed, the Servicer must (amongst other things):

(a) keep and maintain records in relation to each Loan, for the purposes of identifying amounts paid by each Borrower, any amount due from a Borrower and the balance from time to time outstanding in respect of each Loan;

(b) take all reasonable action to;

(i) enforce the terms of each Loan (including taking all reasonable action to enforce any rights against the relevant Borrower to the extent permitted by the terms of that Loan and to the extent that it is appropriate and consistent with the Servicing Guidelines as that is interpreted and applied by the Servicer in the ordinary course of its business); and;

(ii) otherwise exercise any rights, in respect of each Loan, conferred at law or under the terms of such Loans;

provided that the Servicer is not required to institute or continue any litigation in respect of the collection of any amount owing under a Loan if the Servicer has reasonable grounds for believing that:

(iii) the Servicer is, or will be, unable to enforce the provisions of the relevant Loan under which such amount is owing;

(iv) the payment is uncollectible; or;

(v) the likely proceeds from such litigation, in light of the expenses in relation to the litigation, do not warrant such litigation;

(c) with respect to any Mortgage Insurance Policy for any Loan, take all reasonable action to:

(i) make claims on behalf of the CB Guarantor to the extent it is able to make a claim under the Mortgage Insurance Policy or otherwise assist the CB Guarantor to make such claims;

(ii) not without the consent of the CB Guarantor, do anything which could reasonably be expected to adversely affect or limit the rights of the CB Guarantor under or in respect of the Mortgage Insurance Policy; and;

(iii) comply with all requirements and conditions of the Mortgage Insurance Policy;

(d) attend to the stamping and registration (where applicable) of the Loan Terms relating to the Loans and their Related Security;

(e) comply with all applicable laws in connection with administering and servicing the Loans where failure to do so would have an Adverse Effect;

(f) not, in performing its duties under the Transaction Documents, take any action which would cause the CB Guarantor to be in breach of any law applicable to the CB Guarantor; and

(g) except as required by law or the Servicing Guidelines or as otherwise contemplated by the Transaction Documents, not create (or attempt to create) or consent to exist any Encumbrance over or affecting, any Loan or Related Security.

Reports

The Servicer must:

(a) prior to each Determination Date, prepare and provide to the CB Guarantor and the Trust Manager a report (in the form agreed from time to time by the Servicer and the Trust Manager) in respect of the Loans and the immediately preceding Calculation Period; and

(b) provide such other information as the CB Guarantor, the Trust Manager or any Rating Agency reasonably requires in respect of the Loans (including, without limitation, any information the Trust Manager requires to calculate the Asset Coverage Test, the Legislated Asset Coverage Test or the Amortisation Test and any information the Trust Manager is required to provide to the Asset Monitor under the Asset Monitor Agreement).

Collections

The Servicer shall, on behalf of the CB Guarantor, use all reasonable efforts to collect, or arrange to collect, all Collections in respect of the Loans and Related Security.

If the Servicer:

(a) has the Servicer's Remittance Rating (or undertakes any other action which is notified to the Rating Agencies which would not cause an Adverse Rating Effect), the Servicer must remit to the GI Account all Collections received by it in respect of the Loans and Related Security during a Calculation Period on or before the Remittance Date for that Calculation Period; or

(b) does not have the Servicer's Remittance Rating (and does not undertake any other action which would avoid an Adverse Rating Effect) the Servicer must remit to the GI Account all Collections received by it in respect of the Loans and Related Security within 2 AU Business Days following receipt.

Custody

The Servicer has agreed to hold as custodian in electronic form or otherwise, all Title Documents (if any) and Customer Files relating to each Loan that it may receive on behalf of the CB Guarantor

Interest Rate Shortfall

If the Basis Swap is not in effect in accordance with its terms, the Servicer shall 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 Loans which the Servicer proposes to set for the next succeeding CBG Payment Period ("**relevant CBG Payment Period**"); and

(b) the other resources available to the CB Guarantor including the Covered Bond Swap Agreements (if any) and the Reserve Fund Ledger,

whether the CB Guarantor would receive an amount of income during the relevant CBG Payment Period which, when aggregated with the funds otherwise available to the CB Guarantor, 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 or on behalf of the CB Guarantor under the Intercompany Loan Agreement (or, if a Notice to Pay has been served on the CB Guarantor, the Covered Bond Guarantee), and the Demand Loan Agreement on the CBG Payment Date falling at the end of the relevant CBG Payment Period and the relevant amounts payable (or provisioned to be paid) to the Covered Bond Swap Providers under the Covered Bond Swap Agreements in respect of all Covered Bonds on the CBG Payment Date falling at the end of the relevant CBG Payment Period; and

(ii) the other expenses payable (or provisioned to be paid) by the CB Guarantor on the CBG Payment Date falling at the end of the relevant CBG Payment Period ranking in priority to the amounts described in sub-paragraph (i) above in accordance with the relevant Priority of Payments applicable prior to a CBG Event of Default,

(the "**Interest Rate Shortfall Test**"). Any interest rate shortfall is the "**Interest Rate Shortfall**".

If the Servicer determines that the Interest Rate Shortfall Test will not be met, it will give written notice to the CB Guarantor and the Seller (copied to the Trust Manager and the Security Trustee), within 5 AU Business Days of the relevant Determination Date, of the amount of the Interest Rate Shortfall and the variable interest rate and the other discretionary rates or margins which would, in the Servicer's opinion, need to be set on the Variable Rate Loans in order for the Interest Rate Shortfall Test to be met on the immediately following Determination Date, following which:

(a) the Servicer shall, as soon as reasonably possible (having regard to applicable law including the National Credit Code and to the relevant Loan Terms) take all steps which are necessary to set the variable interest rate and/or other discretionary rates or margins applicable to Variable Rate Loans at such levels; or

(b) the Trust Manager may notify the Servicer and the Seller that, having regard to the obligations of the CB Guarantor and the amount of the Interest Rate Shortfall, either:

(i) new Loans should be sold by the Seller to the CB Guarantor pursuant to the Mortgage Sale Deed to rectify the Interest Rate Shortfall, in which case, the Seller will use all reasonable endeavours to offer to sell in accordance with the Mortgage Sale Deed sufficient new Loans to the CB Guarantor on or before the immediately following Determination Date to rectify the Interest Rate Shortfall on that Determination Date; or

(ii) the Trust Manager may request a Demand Loan Advance under the Demand Loan Agreement in an amount sufficient to rectify the Interest Rate Shortfall on immediately following Determination Date.

Yield Shortfall

If, at any time following an Issuer Event of Default (and for so long as such Issuer Event of Default continues unremedied), the Basis Swap is not in effect in accordance with their terms, the Servicer shall determine on each Determination Date, having regard to the aggregate of:

(a) the fixed interest rate and the variable interest rate and any other discretionary rate or margin in respect of the Loans which the Servicer proposes to set for the relevant CBG Payment Period; and

(a) the other resources available to the CB Guarantor including the Covered Bond Swap Agreements (if any),

whether the CB Guarantor would receive an aggregate amount of interest from the Loans and the amounts under the Swap Agreements during the relevant CBG Payment Period which would give a weighted annual yield that is sufficient to enable the CB Guarantor to make the payments and provisions under paragraphs (i) to (x) (but excluding paragraph (ix)) of the Guarantee Priority of Payments in full on the CBG Payment Date immediately following the end of the Calculation Period during which such Determination Date occurs (the "**Yield Shortfall Test**"). Any yield shortfall is the "**Yield Shortfall**".

If the Servicer determines that the Yield Shortfall Test will not be met:

(a) it will give written notice to the CB Guarantor and the Security Trustee (copied to the Trust Manager), within 5 AU Business Days of the relevant Determination Date, of the amount of the Yield Shortfall and the variable interest rate and the other discretionary rates or margins which would, in the Servicer's opinion, need to be set on the Variable Rate Loans in order for the Yield Shortfall Test to be met, having regard to the date(s) on which the changes to the variable interest rate and the other discretionary rates or margins would take effect; and

(b) if the Trust Manager notifies the Servicer that, having regard to the obligations of the CB Guarantor, the variable interest rate or the other discretionary rates or margins on the Variable Rate Loans should be increased, the Servicer will, as soon as reasonably possible (having regard to applicable law including the National Credit Code and to the relevant Loan Terms), take all steps which are necessary to set the variable interest rate and/or any other discretionary rates or margins applicable to Variable Rate Loans at such levels.

Remuneration

The CB Guarantor shall pay to the Servicer fees for its services on terms agreed between the Servicer and the CB Guarantor from time to time. Such fees will be payable in arrears on each CBG Payment Date in accordance with the applicable Priority of Payments.

The CB Guarantor will also pay or reimburse the Servicer for the Servicer's reasonable Costs in connection with the negotiation, preparation, execution and registration of any Transaction Document and the Servicer performing the Servicing Services (including all Costs in connection with the enforcement and recovery of defaulted Loans and all Costs relating to any court proceedings, arbitration or other dispute. The CB Guarantor will also pay or reimbursement the Servicer for Taxes (other than Excluded Taxes) and fees and fines and penalties in respect of fees paid.

Right of delegation by the Servicer

The Servicer may employ agents and attorneys and may delegate any of its rights or obligations in its capacity as servicer, provided that it will nevertheless remain liable at all times for servicing the Loans and their Related Security and for the acts or omissions of any agent or attorney.

Removal or resignation of the Servicer

The CB Guarantor may, upon 30 days' notice to the Servicer, terminate the Servicer's appointment under the Servicing Deed if any of the following events (each a "**Servicer Termination Event**") occurs and continues and each Rating Agency has been notified of the proposed removal of the Servicer:

(a) the Servicer fails to pay any amount due and payable by it under any Transaction Document on the due date and in the manner required under the relevant Transaction Document, unless the Servicer pays the amounts within five AU Business Days (or such longer period as is agreed between the Servicer and the CB Guarantor (acting on the direction of the Trust Manager) provided a Ratings Notification has been provided in respect of such longer period) after receipt by the Servicer of written notice from the CB Guarantor or the Security Trustee requiring the non-compliance to be remedied;

(b) the Servicer does not comply with any of its other material obligations under any Transaction Document and such non-compliance is not remedied within 30 days (or such longer period as is agreed between the Servicer and the CB Guarantor (acting on the direction of the Trust Manager) provided a Ratings Notification has been provided in respect of such longer period) after receipt by the Servicer of written notice from the CB Guarantor or the Security Trustee requiring the non-compliance to be remedied (including by the payment of compensation to the CB Guarantor for its loss from such non-compliance in an amount satisfactory to the CB Guarantor, acting reasonably);

(c) an Insolvency Event occurs in relation to the Servicer; or

(d) the Servicer ceases to have the Required Servicer Rating.

In the case of a Servicer Termination Event under paragraph (d) above, the CB Guarantor must not remove the Servicer as servicer of the Trust if the Trust Manager has delivered a Ratings Notification confirming that a failure to remove of the Servicer will not result in an Adverse Rating Effect.

The Servicer may voluntarily retire as servicer by giving the CB Guarantor at least 90 days' notice (or such shorter period as the Servicer and the CB Guarantor may agree.

If the Servicer retires or is removed as servicer of the Trust, the retiring Servicer agrees to use its best endeavours to ensure a successor servicer is appointed as soon as possible. If a successor servicer of the Bendigo and Adelaide Bank Covered Bond Trust is not appointed within 90 days after notice of retirement or removal is given, the CB Guarantor may appoint a successor servicer for the Trust. The appointment of a successor servicer will only take effect once the successor servicer has become bound by the Transaction Documents to which the Servicer is a party and a Rating Notification has been given in respect of the appointment of the successor servicer.

If a notice of removal or retirement of the Servicer as servicer of the Bendigo and Adelaide Bank Covered Bond Trust has been given, and a successor servicer has not been appointed as servicer of the Bendigo and Adelaide Bank Covered Bond Trust by the date that is 90 days after such notice of removal or retirement (as applicable) is given, then, with effect from such date, the CB Guarantor shall be taken to be the successor servicer in respect of the Bendigo and Adelaide Bank Covered Bond Trust and shall perform all obligations, and shall be entitled to exercise all rights, of the Servicer (as servicer of the Trust) under the Transaction Documents (including the right to receive the fee payable under the Servicing Deed).

In acting as the new servicer, the CB Guarantor will not be responsible for, and will not be liable for, any inability to perform, or deficiency in performing, its duties and obligations as successor servicer if:

(a) the CB Guarantor is unable to perform those duties as a consequence of:

(i) the acts or omissions of the previous Servicer or any other party to a Transaction Document (other than the CB Guarantor or any Related Body Corporate of the CB Guarantor), including any of their agents or delegates;

(ii) the state of affairs of the previous Servicer, and its books and records, data collection, storage or retrieval systems or its computer equipment or software;

(iii) the inaccuracy, incompleteness or lack of currency of any data, information, documents or records;

(iv) the failure of any other person to perform its obligations under and in accordance with the Transaction Documents; or

(v) the appointment of a Controller to the Servicer or any of the Trust Assets;

(b) the CB Guarantor is unable, after using reasonable endeavours, to obtain information and documents or obtain access to software, personnel or resources from the previous Servicer the CB

Guarantor requires and which are reasonably necessary for the CB Guarantor to perform those duties and obligations.

If the Servicer retires or is removed as servicer of the Trust, the Servicer must deliver the Title Documents (if any), all books of account, papers, records, registers, correspondence and documents in its possession or under its control (whether in electronic or physical form) and Customer Files relating to the Loans in its possession to, or at the direction of, the CB Guarantor and must take such further action as the CB Guarantor may reasonably direct.

The Servicing Deed is governed by the laws of New South Wales, Australia.

Trust Management Deed

Pursuant to the terms of the Trust Management Deed, the CB Guarantor has appointed the Trust Manager as the exclusive trust manager of the Bendigo and Adelaide Bank Covered Bond Trust.

The Trust Manager is required to direct the CB Guarantor in relation to how to carry on the Trust Business of the Bendigo and Adelaide Bank Covered Bond Trust including:

(a) the CB Guarantor entering into any documents in connection with the Trust (including the Transaction Documents) and the form of those documents;

(b) the CB Guarantor acquiring, disposing of or otherwise dealing with any Loans, Related Securities, Substitution Assets, Authorised Investments or other Trust Assets;

(c) the CB Guarantor making payments in accordance with the Priority of Payments;

(d) the CB Guarantor making withdrawals from the CBG Accounts;

(e) the CB Guarantor exercising any of its rights or complying with any of its obligations under the Transaction Documents.

Undertakings of the Trust Manager

Pursuant to the terms of the Trust Management Deed, the Trust Manager undertakes to (amongst other things):

(a) carry on the day-to-day administration, supervision and management of the Trust Business in accordance with the Transaction Documents;

(b) assist the CB Guarantor in relation to the making of all determinations to be made by the CB Guarantor in accordance with the Transaction Documents and the provision of all notices, certificates, instructions, reports and communications required to be provided by the CB Guarantor under the Transaction Documents;

(c) provide the CB Guarantor with such advice, reports and services as the CB Guarantor may reasonably require in connection with the Trust Business, the Trust Assets and the Transaction Documents;

(d) give the CB Guarantor any document or information in the Trust Manager's possession or control that the CB Guarantor reasonably requests relating to the Trust Assets;

(e) not, in performing its duties under the Transaction Documents, take any action which would cause the CB Guarantor to be in breach of any law applicable to the CB Guarantor;

(f) take such action as is consistent with its obligations under the Transaction Documents to assist the CB Guarantor to perform its obligations under the Transaction Documents (provided the Trust

Manager shall have no liability whatsoever to the CB Guarantor or any other person for any failure by the CB Guarantor to make any payment due, or to perform its other obligations, under any of the Transaction Documents other than to the extent expressly provided in the Trust Management Deed); and

(g) arrange for the delivery of any consents or notices required to be provided to the CB Guarantor in connection with any proposed amendment to any Transaction Documents.

Replacement swaps

If on or prior to the repayment in full of the relevant Series of Covered Bonds, a Covered Bond Swap is terminated (other than as a result of an Event of Default (as defined in the relevant Covered Bond Swap Agreement) where the CB Guarantor is the Defaulting Party (as defined in the relevant Covered Bond Swap Agreement)), the Trust Manager must direct the CB Guarantor to purchase a new swap to hedge certain interest rate, currency and/or other risks in respect of:

(a) amounts received by the CB Guarantor under the Loans and/or the relevant Interest Rate Swap; and

(b) (prior to the service of a Notice to Pay) amounts payable by the CB Guarantor under the Intercompany Loan Agreement and Demand Loan Agreement;

(c) (following the service of a Notice to Pay) amounts payable by the CB Guarantor under the Covered Bond Guarantee in respect of the relevant Covered Bonds.

If on or prior to the repayment in full of the Covered Bonds, any Interest Rate Swap is terminated (other than as a result of an Event of Default (as defined in the relevant Interest Rate Swap Agreement) where the CB Guarantor is the Defaulting Party (as defined in the relevant Interest Rate Swap Agreement)), the Trust Manager must direct the CB Guarantor to purchase a new swap to hedge against the possible variance between:

(a) the variable rates payable on the Variable Rate Loans and the fixed rates of interest payable on the Fixed Rate Loans (or the relevant proportion thereof) and other income from, inter alia, the GI Account, the Substitution Assets and any Authorised Investments; and

(b) an appropriate Bank Bill Rate based rate for Australian Dollar deposits.

Reports

The Trust Manager must:

(a) prepare and provide the CB Guarantor, the Security Trustee, the Bond Trustee, the Seller, the Rating Agencies and the Asset Monitor with the Monthly Asset Coverage Report no later than ten AU Business Days after each CBG Payment Date; and

(b) prepare and make available on a website maintained for this purpose the Investor Report no later than ten AU Business Days (or such other period as may be agreed by the Trust Manager and the CB Guarantor) after each CBG Payment Date and on request of the CB Guarantor, notify the CB Guarantor of the current website on which the Investor Report is available.

Removal or resignation of the Trust Manager

The CB Guarantor may, upon 30 days' notice to the Trust Manager, remove the Trust Manager as trust manager of the Bendigo and Adelaide Bank Covered Bond Trust if any of the following events (each a "**Trust Manager Termination Event**") occurs and continues and each Rating Agency has been notified of the proposed removal of the Trust Manager:

(a) the Trust Manager does not comply with any of its obligations under the Transaction Documents where such non-compliance will (in the reasonable opinion of the CB Guarantor or the Security Trustee) have an Adverse Effect, and that non-compliance is not remedied within 30 days of written notice from the CB Guarantor or the Security Trustee requiring the non-compliance to be remedied; and

(b) an Insolvency Event occurs in respect of the Trust Manager.

The Trust Manager may retire as manager of the Bendigo and Adelaide Bank Covered Bond Trust by giving the CB Guarantor at least 90 days' (or such shorter period as the Trust Manager and the CB Guarantor may agree) notice of its intention to do so.

If the Trust Manager retires or is removed as trust manager of the Bendigo and Adelaide Bank Covered Bond Trust, the retiring Trust Manager will use its best endeavours to ensure a successor trust manager is appointed as soon as possible. If a successor trust manager of the Bendigo and Adelaide Bank Covered Bond Trust is not appointed within 90 days after notice of retirement or removal is given, the CB Guarantor may appoint a successor trust manager for the Bendigo and Adelaide Bank Covered Bond Trust. The termination or retirement will only take effect once the substitute has been appointed.

The Trust Manager will indemnify the CB Guarantor for any Costs incurred by the CB Guarantor as a result of (i) a failure by the Trust Manager to perform its obligations under the Trust Management Deed or any other Transaction Document to which it is a party or (ii) a representation or warranty given by it to the CB Guarantor under this document or any other Transaction Document to which it is a party being incorrect, but excluding any such amounts which are due to the CB Guarantor's own negligence, fraud or Wilful Default.

Remuneration

The CB Guarantor shall pay to the Trust Manager fees for its services on terms agreed between the Trust Manager and the CB Guarantor from time to time. Such fees will be payable in arrears on each CBG Payment Date in accordance with the applicable Priority of Payments.

The CB Guarantor will also pay or reimburse the Trust Manager for the Trust Manager's reasonable Costs incurred in connection with the negotiation, preparation, execution and registration of any Transaction Document and the general ongoing administration of the Transaction Documents and the performance of its obligations under such Transaction Documents. The CB Guarantor will also pay or reimbursement the Trust Manager for Taxes (other than Excluded Taxes) and fees and fines and penalties in respect of fees paid.

Right of delegation by the Servicer

The Trust Manager may employ agents and attorneys and may delegate any of its rights or obligations in its capacity as trust manager, provided that it will nevertheless remain liable at all times for its obligations under the Transaction Documents and for the acts or omissions of any agent or attorney.

The Trust Management Deed is governed by the laws of New South Wales, Australia.

Asset Monitor Agreement

Under the terms of the Asset Monitor Agreement, the Asset Monitor has agreed, subject to receipt of all relevant information from the Trust Manager, to test the arithmetic accuracy of the calculations performed by the Trust Manager in relation to the Asset Coverage Test and the Legislated Asset Coverage Test and (following service of a Notice to Pay, but prior to service of a CBG Acceleration Notice) the Amortisation Test calculated as at the Determination Date immediately preceding each Assessment Date. If and for so long as the long-term ratings of the Issuer or the Trust Manager (or if the Trust Manager is not independently rated and, as the case may be, is an affiliate of the Issuer, the long-term ratings of the Issuer, such ratings, the "**Deemed Ratings**") are below the ratings set out in the Asset Monitor Agreement or following the service of an Asset Coverage Test Breach Notice (which has not been revoked), the Asset Monitor will, subject to

receipt of the relevant information from the Trust Manager, be required to conduct such tests following each Determination Date.

Following a determination by the Asset Monitor of any errors in the arithmetic accuracy of the calculations performed by the Trust Manager such that the Legislated Asset Coverage Test, the Asset Coverage Test or the Amortisation Test has been failed on the applicable Determination Date (where the Trust Manager had recorded it as being satisfied) or the reported Adjusted Aggregate Loan Amount, the Legislated Adjusted Aggregate Loan Amount or the Amortisation Test Aggregate Loan Amount was mis-stated by the Trust Manager by an amount exceeding 1% of the actual Adjusted Aggregate Loan Amount, the actual Legislated Adjusted Aggregate Loan Amount or the actual Amortisation Test Aggregate Loan Amount, as applicable (as at the date of the relevant Asset Coverage Test, relevant Legislated Asset Coverage Test or the relevant Amortisation Test), the Asset Monitor will be required to conduct such tests following each Determination Date for a period of six months thereafter.

The Asset Monitor is entitled, except in certain limited circumstances, to assume that all information provided to it by the Trust Manager for the purpose of conducting such tests is true and correct and not misleading. The Asset Monitor Report will be delivered to the Trust Manager, the Servicer, the CB Guarantor, the Issuer and the Security Trustee.

The Asset Monitor has also been appointed as the cover pool monitor in respect of the Trust and the Programme for the purposes of the Banking Act. In respect of each Assessment Date and subject to receipt of the certain information to be provided to the Asset Monitor by the Trust Manager and the Servicer, including the Loans Register, the Asset Registers, account statements and copies of Sale Notices, Loan Repurchase Notices and Selected Loan Offer Notices, the Asset Monitor will:

(a) assess the keeping by the Trust Manager and the Servicer on behalf of the CB Guarantor of an accurate register of the assets in the cover pool of the CB Guarantor; and

(b) assess compliance by the Issuer with sections 31 and 31A of the Banking Act.

The Asset Monitor may perform its obligations by sampling in accordance with auditing standards made under the Corporations Act.

The CB Guarantor will pay to the Asset Monitor a fee for the tests to be performed by the Asset Monitor.

The Trust Manager may, at any time, terminate the appointment of the Asset Monitor by giving at least 30 days' prior written notice to the Asset Monitor or immediately upon providing the Asset Monitor written notice where the Asset Monitor ceases to be an Eligible Asset Monitor, provided that such termination may not be effected unless and until a replacement asset monitor has been found by the Trust Manager in accordance with the replacement terms described below.

The Asset Monitor may, at any time, resign by giving at least 60 days' prior written notice to the CB Guarantor and the Security Trustee (copied to the Rating Agencies), and may resign by giving immediate notice in the event of a professional conflict of interest caused by the action of any recipient of its reports.

Upon the Asset Monitor giving notice of resignation or termination of the Asset Monitor's appointment, the Trust Manager shall immediately use all reasonable endeavours to appoint a substitute Asset Monitor provided such substitute is an Eligible Asset Monitor that enters into an agreement substantially on the same terms as the terms of the Asset Monitor Agreement and the substitute Asset Monitor is a party that has been notified to the Rating Agencies by the Trust Manager and a Ratings Notification has been provided by the Trust Manager in respect of the appointment of the substitute Asset Monitor.

The Bond Trustee, the CB Guarantor and the Security Trustee will not be obliged to act as Asset Monitor in any circumstances.

The Asset Monitor Agreement is governed by the laws of New South Wales, Australia.

Participation Deed

Asset Coverage Test

On or prior to each Determination Date, the Trust Manager must calculate the Adjusted Aggregate Loan Amount and the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds as of the last day of the immediately preceding Calculation Period.

Under the terms of the Participation Deed for so long as any Covered Bonds remain outstanding, the Asset Coverage Test will be satisfied as of a Determination Date if on that Determination Date, the Adjusted Aggregate Loan Amount is at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds as calculated as of the last day of the immediately preceding Calculation Period (the "**Asset Coverage Test**"). For a further discussion of the Asset Coverage Test see: *Credit Structure – Asset Coverage Test* below.

If the Asset Coverage Test is not satisfied as at any Determination Date prior to the service of a Notice to Pay on the CB Guarantor or the service of a CBG Acceleration Notice on the CB Guarantor, then:

(a) the Trust Manager will notify the CB Guarantor, the Seller, the Issuer, the Rating Agencies, the Bond Trustee and the Security Trustee thereof; and

(b) the CB Guarantor (at the direction of the Trust Manager) will use all commercially reasonable endeavours to acquire further Loans and their Related Security from the Seller (and if requested by the CB Guarantor, the Seller will use all commercially reasonable endeavours to offer to sell sufficient further Loans and their Related Security to the CB Guarantor in accordance with the Mortgage Sale Deed), to acquire further Substitution Assets and Authorised Investments and/or obtain a Demand Loan Advance, in each case in an aggregate amount to ensure that the Asset Coverage Test is met as of the next Determination Date.

If on the next following Determination Date the Adjusted Aggregate Loan Amount is less than the AUD Equivalent of the aggregate Principal Amount Outstanding of all Covered Bonds (all calculated as of the last day of the immediately preceding Calculation Period), the Asset Coverage Test will be breached and the Trust Manager shall notify the CB Guarantor, the Seller, the Issuer, the Rating Agencies, the Bond Trustee and the Security Trustee, whereupon the Bond Trustee is required to serve an Asset Coverage Test Breach Notice on the CB Guarantor.

If on the Determination Date immediately following service of an Asset Coverage Test Breach Notice, the Adjusted Aggregate Loan Amount (as of the last day of the immediately preceding Calculation Period):

(a) is less than the AUD Equivalent of the aggregate Principal Amount Outstanding of all Covered Bonds (as at the last day of the immediately preceding Calculation Period), then an Issuer Event of Default will occur and the Bond Trustee will be entitled to serve an Issuer Acceleration Notice; or

(b) is equal to or more than the AUD Equivalent of the aggregate Principal Amount Outstanding of all Covered Bonds (as at the last day of the immediately preceding Calculation Period), then the Asset Coverage Test Breach Notice will be deemed to be revoked with effect from that Determination Date as determined by the Trust Manager.

Following service of an Asset Coverage Test Breach Notice on the CB Guarantor (which has not been revoked) the CB Guarantor may be required to sell Selected Loans and remit the proceeds to the GI Account ((for a further discussion see: *Participation Deed—Sale of Selected Loans* below).

For the purposes hereof:

The "**Adjusted Aggregate Loan Amount**" in respect of a Determination Date and the immediately preceding Calculation Period means the amount equal to:

A + B + C + D – Z

where:

A = is the lower of:

(i) the sum of the LTV Adjusted Outstanding Principal Balance of each Loan as at the last day of that Calculation Period; and

(ii) is the sum of the Asset Percentage Adjusted Outstanding Principal Balance of each Loan as at the last day of that Calculation Period;

B = the aggregate amount of all Principal Collections standing to the credit of the GI Account as at the last day of that Calculation Period;

C = the AUD Equivalent of the aggregate amount of Intercompany Loan Advances under the Intercompany Loan and Demand Loan Advances under the Demand Loan Agreement which have not been applied as at the last day of that Calculation Period;

D = the aggregate outstanding principal balance of any Substitution Assets and Authorised Investments as at the last day of that Calculation Period; and

Z = the amount equal to:

(i) the weighted average remaining maturity of all Covered Bonds (expressed in years) then outstanding (provided that if the weighted average remaining maturity is less than one, the weighted average shall be deemed, for the purposes of this calculation, to be one); ***multiplied by***

(ii) the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds as at the last day of that Calculation Period; ***multiplied by***

(iii) the Negative Carry Factor where the "**Negative Carry Factor**" is:

(A) zero, for so long as the Interest Rate Swaps are in effect in accordance with their terms; or

(B) if the then Weighted Average Spread:

(aa) is less than or equal to 0.10% per annum, 0.50%; or

(ab) is more than 0.10% per annum, 0.40% plus the Weighted Average Spread,

where:

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 there is no Covered Bond Swap in place, the margin for the Series specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement; and (B) in any other case, the spread used to calculate the floating amounts denominated in Australian Dollars payable by the CB Guarantor in accordance with the applicable Covered Bond Swap;

Weighted Average Spread is the weighted average Spread then payable on each Series of Covered Bonds (determined by reference to the AUD Equivalent

of the aggregate Principal Amount Outstanding, as at the last day of the immediately preceding Collection Period, of the applicable Series).

The "**LTV Adjusted Outstanding Principal Balance**" in respect of a Loan and a Determination Date and the immediately preceding Calculation Period means the amount equal to:

A – B – C

where:

A = the lower of:

(i) the Outstanding Principal Balance of the Loan as at the last day of that Calculation Period; and

(ii) the aggregate of the Indexed Valuation of each Property subject to a Related Security relating to that Loan multiplied by M, where M is equal to:

(A) 80% (or such other percentage determined by the Trust Manager and notified to the CB Guarantor and the Rating Agencies and in respect of which a Ratings Notification has been delivered by the Trust Manager) if the Loan is not a Defaulted Loan; or

(B) 0% if the Loan is a Defaulted Loan;

B = if, during that Calculation Period, the Seller was in breach of any of the Representations and Warranties in respect of that Loan and (as at the last day of that Calculation Period) the Seller has not repurchased that Loan to the extent required by the terms of the Mortgage Sale Deed, an amount equal to the amount calculated as "A" above on that Determination Date in respect of that Loan.

C = if, during that Calculation Period, the Seller was in breach of any other material warranty under the Mortgage Sale Deed or the Servicer was in breach of a material term of the Servicing Deed in respect of that Loan, an amount equal to the resulting financial loss incurred by the CB Guarantor in that Calculation Period in respect of that Loan (such financial loss to be calculated by the Trust Manager and to be reduced by any amount paid (in cash or in kind) to the CB Guarantor by the Seller or the Servicer to indemnify the CB Guarantor for such financial loss).

The "**Asset Percentage Adjusted Outstanding Principal Balance**" in respect of a Loan and a Determination Date and the immediately preceding Calculation Period means the amount equal to:

(A – B – C) x D

where:

A = the lower of:

(i) the Outstanding Principal Balance of that Loan as at the last day of that Calculation Period; and

(ii) the aggregate of the Valuation of each Property subject to a Related Security relating to that Loan multiplied by N, where N is equal to:

(A) 100% if the Loan is not a Defaulted Loan; or

(B) 0% if the Loan is a Defaulted Loan;

B = if, during that Calculation Period, the Seller was in breach of any of the Representations and Warranties in respect of that Loan and (as at the last day of that Calculation Period) the Seller has not repurchased that Loan to the extent required by the terms of the Mortgage Sale Deed, an amount equal to the amount calculated as "A" above on that Determination Date in respect of that Loan;

C = if, during that Calculation Period, the Seller was in breach of any other material warranty under the Mortgage Sale Deed in respect of that Loan or the Servicer was in breach of a material term of the Servicing Deed in respect of that Loan, an amount equal to the resulting financial loss incurred by the CB Guarantor in that Calculation Period (such financial loss to be calculated by the Trust Manager and to be reduced by any amount paid (in cash or in kind) to the CB Guarantor by the Seller or the Servicer to indemnify the CB Guarantor for such financial loss);

D = the Asset Percentage.

Where there is more than one Loan secured on the same Property subject to a Related Security, the above calculations will be performed on a consolidated basis as if all such Loans secured on the same Property subject to a Related Security were a single Loan.

The "**Asset Percentage**" shall be determined in accordance with the following:

(a) The Asset Percentage on any date shall be the lowest of:

(i) 95% or such other amount determined by the Trust Manager and notified to the CB Guarantor and the Rating Agencies and in respect of which a Ratings Notification has been delivered by the Trust Manager;

(ii) the percentage figure most recently determined by the Trust Manager and notified to the CB Guarantor, Fitch and the Bond Trustee and the Security Trustee in accordance with paragraph (b) below, being the asset percentage that is necessary to ensure that the Covered Bonds maintain the then current ratings assigned to them by Fitch, subject to the restriction in paragraph (c) below; and

(iii) the percentage figure most recently determined by the Trust Manager and notified to the CB Guarantor, Moody's, the Bond Trustee and the Security Trustee in accordance with paragraph (b) below, as the percentage figure that would be necessary to ensure the Covered Bonds maintain the then current ratings assigned to them by Moody's, subject to the restriction in paragraph (c) below.

(b) On any AU Business Day as may be selected from time to time by and at the option of the Trust Manager, the Trust Manager will send written notice to (i) the CB Guarantor, the Bond Trustee, the Security Trustee and Fitch of the percentage figure that has been determined by the Trust Manager in accordance with paragraph (a)(ii) above, and/or (as applicable) (ii) the CB Guarantor, the Bond Trustee, the Security Trustee and Moody's of the percentage figure that has been selected by the Trust Manager in accordance with paragraph (a)(iii) above, that, in each case, will be applied on the immediately following Determination Date. Any notification to Fitch or Moody's (as applicable) and the Bond Trustee and the Security Trustee pursuant to this paragraph (b) shall be made in the form prescribed in the Participation Deed.

(c) The CB Guarantor is not obliged to ensure that the Covered Bonds maintain the rating given to the Covered Bonds on the Issue Date of such Covered Bonds by Fitch or Moody's (as applicable) (each an "**Initial Rating**") and the Trust Manager is not obliged to change the figure determined by it in accordance with paragraphs (a)(ii) or (a)(iii) above in order to maintain the level of credit enhancement required to ensure that the Covered Bonds maintain the relevant Initial Rating by Fitch or Moody's (as applicable). Following any downgrade of the Covered Bonds by Fitch, the percentage figure in paragraph (a)(ii) may not exceed the Asset Percentage that applied as of the

last time the Covered Bonds were rated the Initial rating by Fitch, and, following any downgrade of the Covered Bonds by Moody's, the percentage figure in paragraph (a)(iii) may not exceed the Asset Percentage that applied as of the last time the Covered Bonds were rated the Initial Rating by Moody's.

Legislated Asset Coverage Test

On or prior to each Determination Date, the Trust Manager must calculate the Legislated Adjusted Aggregate Loan Amount and the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds as of the last day of the immediately preceding Calculation Period.

The "**Legislated Asset Coverage Test**" will be satisfied as of a Determination Date if the Legislated Adjusted Aggregate Loan Amount (as at the last day of the immediately preceding Calculation Period) is at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds (as at the last day of the immediately preceding Calculation Period).

For the purposes hereof:

The "**Legislated Adjusted Aggregate Loan Amount**" in respect of a Determination Date and the immediately preceding Calculation Period means the amount equal to:

(A + B + C + D) x F

where:

A = the sum, for each Loan forming part of the Trust Assets as at the last day of that Calculation Period, of the lower of:

(i) the Outstanding Principal Balance of that Loan as at the last day of that Calculation Period; and

(ii) the aggregate of the Valuation of each Property subject to a Related Security relating to that Loan multiplied by M, where M is equal to:

(A) 80% (or such other percentage figure required to comply with the Banking Act) if the Loan is not a Defaulted Loan; or

(B) 0% if the Loan is a Defaulted Loan,

provided that where there is more than one Loan secured on the same Property subject to a Related Security, the above calculations will be performed on a consolidated basis as if all such Loans secured on the same Property subject to a Related Security were a single Loan;

B = the aggregate amount of all Principal Collections standing to the credit of the GI Account as at the last day of that Calculation Period;

C = the aggregate amount of Intercompany Loan Advances under the Intercompany Loan and Demand Loan Advances under the Demand Loan Agreement which have not been applied as at the last day of that Calculation Period;

D = the aggregate outstanding principal balance of any Substitution Assets and Authorised Investments as at the last day of that Calculation Period; and

F = 1 / 1.03 (or such other amount as determined by the Issuer to ensure compliance with section 31A of the Banking Act).

Amortisation Test

On or prior to each Determination Date, the Trust Manager must calculate the Amortisation Test Aggregate Loan Amount and the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds as of the last day of the immediately preceding Calculation Period.

The "**Amortisation Test**" will be satisfied as of a Determination Date following the service of a Notice to Pay on the CB Guarantor (but prior to the service of a CBG Acceleration Notice on the CB Guarantor) if the Amortisation Test Aggregate Loan Amount (as at the last day of the immediately preceding Calculation Period) is at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds (as at the last day of the immediately preceding Calculation Period).

If on any Determination Date following the service of a Notice to Pay on the CB Guarantor (but prior to the service of a CBG Acceleration Notice on the CB Guarantor), the Amortisation Test Aggregate Loan Amount (as at the last day of the immediately preceding Calculation Period) is less than the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bond (as at the last day of the immediately preceding Calculation Period), then the Amortisation Test will be deemed to be breached and a CBG Event of Default will occur.

The Trust Manager will immediately notify the CB Guarantor, the Seller, the Issuer, the Rating Agencies, the Security Trustee and the Bond Trustee of any breach of the Amortisation Test (such notice, an "**Amortisation Test Breach Notice**").

For the purposes hereof:

The "**Amortisation Test Aggregate Loan Amount**" in respect of a Determination Date and the immediately preceding Calculation Period means an amount equal to:

A + B + C - Z

where:

A = the aggregate of the Amortisation Test Outstanding Principal Balance for each Loan as at the last day of that Calculation Period;

B = the aggregate of the credit balance of the GI Account and the principal amount of any Authorised Investments as at the last day of that Calculation Period (excluding any Income Collections received in that Calculation Period);

C = the aggregate outstanding principal balance of any Substitution Assets as at the last day of that Calculation Period; and

Z = the amount equal to:

(i) the weighted average remaining maturity of all Covered Bonds outstanding as at the last day of that Calculation Period (expressed in years, but if less than 1 year, then deemed to be 1 year); **multiplied by**

(ii) the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds outstanding as at the last day of that Calculation Period; **multiplied by**

(iii) the Negative Carry Factor.

The "**Amortisation Test Outstanding Principal Balance**" in respect of a Loan and a Determination Date and the immediately preceding Calculation Period means the amount equal to the lower of:

(a) the Outstanding Principal Balance of that Loan as at the last day of that Calculation Period;

(b) the aggregate of the Indexed Valuation of each Property subject to a Related Security relating to that Loan multiplied by M, where M is equal to:

(i) 80% (or such other amount determined by the Trust Manager and notified to the CB Guarantor and the Rating Agencies and in respect of which a Ratings Notification has been delivered by the Trust Manager), if the Loan is not a Defaulted Loan; and

(ii) 0%, if the Loan is a Defaulted Loan.

Where there is more than one Loan secured on the same Property subject to a Related Security, the above calculations will be performed on a consolidated basis as if all such Loans secured on the same Property subject to a Related Security were a single Loan.

Sale of Selected Loans

Following:

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

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

the Trust Manager must direct the CB Guarantor to and, upon receiving that direction, the CB Guarantor must use best efforts to sell Selected Loans (as described below – see *Method of Sale of Selected Loans*).

Method of Sale of Selected Loans

Before offering Selected Loans for sale, the Trust Manager must ensure that:

(a) the Selected Loans are selected on a basis that is representative of the Loans then forming part of the Trust Assets provided that if the Related Security in respect of a Selected Loan secures more than one Loan, each such Loan will be selected as a Selected Loan; and

(b) the Selected Loans have an aggregate Outstanding Principal Balance in an amount (the "**Required Outstanding Principal Balance**") 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 service of a Notice to Pay on the CB Guarantor), such amount that would ensure that, if the Selected Loans were sold at the Outstanding Principal Balance plus the Accrued Interest in respect of the Selected Loans, the Asset Coverage Test would be satisfied on the next Determination Date taking into account the payment obligations of the CB Guarantor on the CBG Payment Date following that Determination Date; or

(ii) following the occurrence of an Issuer Event of Default and service of a Notice to Pay on the CB Guarantor, the amount equal to:

$$A \; x \; \frac{B}{C}$$

where:

A = the AUD Equivalent of the Required Redemption Amount of the Earliest Maturing Covered Bonds less amounts standing to the credit of the GI Account and the principal amount of any Substitution Assets or Authorised Investments (excluding all amounts to be applied on the next following CBG Payment 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);

B = the aggregate Outstanding Principal Balance of all Loans forming part of the Trust Assets;

C = the AUD Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding less the AUD Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding which has been provided for in cash.

For the purposes hereof:

"**Required Redemption Amount**" means, in respect of a Series of Covered Bonds, the amount calculated as follows:

$$A\,x\,(1+\left(B\,x+\frac{C}{365}\right))$$

where:

A = the aggregate Principal Amount Outstanding of that Series of Covered Bonds;

B = the Negative Carry Factor; and

C = the days to maturity of that Series of Covered Bonds.

The Trust Manager must direct and the CB Guarantor will, as so directed, offer the Selected Loans for sale to Purchasers for the best price reasonably available but in any event:

(a) subject to paragraph (b) immediately below, following the service of an Asset Coverage Test Breach Notice, for an amount not less than the Outstanding Principal Balance plus the Accrued Interest in respect of the Selected Loans; and

(b) following an Issuer Event of Default and service of a Notice to Pay, for an amount not less than the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds, where the "**Adjusted Required Redemption Amount**" means:

(i) the AUD Equivalent of the Required Redemption Amount of the relevant Earliest Maturing Covered Bonds;

plus or minus

(ii) the AUD Equivalent of any termination amounts (excluding any Excluded Swap Termination Amount) payable under the Covered Bond Swaps corresponding to that Series of Covered Bonds to or by the CB Guarantor;

plus or minus

(iii) the Australian Dollar Equivalent of any termination amounts (excluding any Excluded Swap Termination Amount) payable to or by the CB Guarantor under any Interest Rate Swap in respect of the sale of such Selected Loans,

less

(iv) the balance of the GI Account, but excluding all amounts to be applied on the next following CBG Payment Date to repay higher-ranking amounts in the relevant Priority of Payments and those amounts that are required to repay any Series or Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds).

Following an Issuer Event of Default and service of a Notice to Pay, if the Selected Loans have not been sold (in whole or in part) in an amount equal to or greater than the Adjusted Required Redemption Amount by the date which is six months prior to 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), then the CB Guarantor (acting at the direction of the Trust Manager) will offer the Selected Loans for sale for the best price reasonably available, notwithstanding that such amount may be less than the Adjusted Required Redemption Amount.

In respect of any sale of Selected Loans (except where the Seller is buying the Selected Loans in accordance with its right of pre-emption in accordance with the Mortgage Sale Deed) the CB Guarantor (acting at the direction of 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 Loans (if such terms are commercially available in the market) to advise it in relation to the sale of the Selected Loans to Purchasers. The terms of the agreement giving effect to the appointment in accordance with such tender must be approved by the Security Trustee. The Security Trustee must approve the appointment of the portfolio manager if:

(a) the portfolio manager is an investment bank or accountant of recognised standing; and

(b) two Authorised Signatories of the Trust Manager have certified to the Security Trustee that such appointment is on a basis intended to incentivise the portfolio manager to achieve the best price for the sale of the Selected Loans (on terms which are commercially available in the market), which certificate will be conclusive and binding on all parties.

Following service of a Notice to Pay but prior to the occurrence of a CBG Event of Default, in addition to offering Selected Loans for sale to Purchasers in respect of the Earliest Maturing Covered Bonds, the Trust Manager may direct the CG Guarantor and the CB Guarantor will offer for sale a portfolio of Selected Loans in respect of other Series of Covered Bonds.

The CB Guarantor (acting at the direction of the Trust Manager) is permitted to offer for sale to Purchasers a part of any portfolio of Selected Loans (a "**Partial Portfolio**"). Except in circumstances where the portfolio of Selected Loans 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 relevant Series of Covered Bonds to be repaid from such proceeds of the sale of the Partial Portfolio, the sale price of the Partial Portfolio (as a proportion of the Adjusted Required Redemption Amount) shall be at least equal to the proportion that the Partial Portfolio bears to the relevant portfolio of Selected Loans.

In respect of any sale of Selected Loans, the Trust Manager will instruct the portfolio manager to use all reasonable endeavours to procure that Selected Loans 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 Participation Deed.

The Trust Manager must direct the CB Guarantor to and, upon receiving that direction, the CB Guarantor must enter into a sale and purchase agreement with the related 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 CB Guarantor or the Seller in respect of the Selected Loans unless expressly agreed by the Security Trustee and otherwise agreed with the Seller and will be subject to the limitation of liability provisions in the Common Terms Deed.

Limit on Investing in Substitution Assets and Authorised Investments

Prior to service on the CB Guarantor of an Asset Coverage Test Breach Notice (that has not been revoked), a Notice to Pay or CBG Acceleration Notice, the Trust Manager on behalf of the CB Guarantor may invest the Available Income Amount, the Available Principal Amount and the proceeds of Intercompany Loan Advances and Demand Loan Advances in Substitution Assets, provided that the aggregate amount so invested does not exceed the limits for each class of Substitution Assets as set out in the Participation Deed and the Banking Act, such Substitution Assets are acquired in the name of the CG Guarantor, and all income or other distributions arising on, or proceeds following the disposal or maturity of, such Substitution Assets must be deposited to the GI Account.

Following the occurrence of an Issuer Event of Default and service of a Notice to Pay on the CB Guarantor or service of an Amortisation Test Breach Notice on the CB Guarantor and the Issuer, all Substitution Assets must be sold by the CB Guarantor (acting at the direction of the Trust Manager) as quickly as reasonably practicable, and the proceeds deposited to the GI Account.

The Trust Manager on behalf of the CB Guarantor may at any time (including both prior to and following service of a Notice to Pay) invest all available moneys in Authorised Investments, provided that such investments are acquired in the name of the CB Guarantor, and all income or other distributions arising on, or proceeds following the disposal or maturity of, such Authorised Investments must be deposited to the GI Account.

There is no limit on the amounts that the CB Guarantor is entitled to invest in Authorised Investments or that may be credited to the GI Account.

Asset Registers

The Trust Manager must maintain accurate and up-to-date registers (collectively, the "**Asset Registers**") in respect of:

(a) assets in the cover pool (as defined in the Banking Act) of the CB Guarantor;

(b) if the Demand Loan Provider requests, assets of the CB Guarantor allocated to the Senior Portion Outstanding of the Demand Loan ("**Senior Demand Loan Asset Register**"); and

(c) such other registers as the Issuer may request from time to time (including for the Issuer to comply with any Law.

The Trust Manager will allocate the assets of the CB Guarantor to the Asset Registers, at such times as the Trust Manager determines is necessary to comply with the immediately preceding paragraphs, on the following basis:

(a) Loans and Related Securities will be allocated on a random basis;

(b) all other assets of the CB Guarantor (including Authorised Investments and Substitution Assets) will be allocated on such basis as the Trust Manager shall determine; and

(c) in the case of the Senior Demand Loan Asset Register, such that the aggregate principal outstanding of the assets allocated to the Senior Demand Loan Asset Register is as close as possible (acting reasonably) to but not greater than the Senior Portion Outstanding of the Demand Loan at the date of determination.

The Trust Manager has agreed that upon request from the Issuer and at the cost of the Issuer it will provide the Issuer and/or APRA with copies of the Asset Registers and such other information in respect of the Asset Registers as the Issuer may require in connection with any queries APRA may have.

Reserve Fund Ledger

The Trust Manager will maintain the Reserve Fund Ledger as a ledger account of the GI Account by recording:

(a) all deposits to the Reserve Fund Ledger made in accordance with the Participation Deed as a credit to the ledger; and

(b) all withdrawals from the Reserve Fund Ledger made in accordance with the Participation Deed as a debit to the ledger

For a further discussion of the Reserve Fund Ledger see: *Credit Structure – Reserve Fund Ledger* below.

Other Provisions

The allocation and distribution of Income Collections, Principal Collections and all other amounts received by the CB Guarantor is described under *Cashflows* below.

The Participation Deed is governed by the laws of New South Wales, Australia.

Interest Rate Swap Agreement

To provide a hedge against possible variances between the interest revenues received by the CB Guarantor, being primarily linked to the rates of interest payable on the Loans (which may, for instance, include variable rates of interest or fixed rates of interest) and any Substitution Assets and Authorised Investments, and the interest amounts payable under the Intercompany Loan, the Demand Loan, the Covered Bond Swaps and (following the service of a Notice to Pay) the Covered Bond Guarantee, the CB Guarantor has entered into the Interest Rate Swaps with the Interest Rate Swap Provider on the terms set out in the Interest Rate Swap Agreement.

Under the Fixed Rate Swap, the CB Guarantor has agreed to pay to the Interest Rate Swap Provider all Income Collections in respect of the Fixed Rate Loans in exchange for a payment by the Interest Rate Swap Provider of an amount calculated by reference to the BBSW Rate and the average Outstanding Principal Balance of all Fixed Rate Loans during the relevant calculation period.

Under the Basis Swap, the CB Guarantor has agreed to pay to the Interest Rate Swap Provider an amount equal the Available Income Amount (excluding all Income Collections in respect of the Fixed Rate Loans) in exchange for a payment by the Interest Rate Swap Provider of an amount which will be at least sufficient to pay all amounts (other than principal) under the Covered Bond Swaps (to the extent those amounts are payable in Australian Dollars) and the Intercompany Loan in accordance with the Pre-Acceleration Income Priority of Payments or (following service of a Notice to Pay, but prior to service of a CBG Acceleration Notice) the Guarantee Priority of Payments (including, in that case, Scheduled Interest that is Due for Payment under the Covered Bond Guarantee) plus, in each case, certain additional amounts.

The Interest Rate Swap Agreement may be terminated in certain circumstances (each referred to as an "**Interest Rate Swap Early Termination Event**"), including:

(a) at the option of any party to the Interest Rate Swap Agreement, if there is a failure by the other party to pay any amounts due under the Interest Rate Swap Agreement within the specified grace period;

(b) at the option of the CB Guarantor in the event that the credit ratings or counterparty risk assessment (as applicable) of the Interest Rate Swap Provider, or any credit support provider, as applicable, are downgraded by the Rating Agencies below the credit ratings or counterparty risk assessment (as applicable) specified in the Interest Rate Swap Agreement and the Interest Rate Swap Provider does not take certain remedial measures which may include providing collateral for its obligations under the Interest Rate Swap Agreement, or arranging for its obligations under the Interest Rate Swap Agreement to be guaranteed by, or novated to, an entity whose unsecured and unsubordinated debt obligations have the ratings required by the relevant Rating Agencies, or

taking such other action as it may agree with the relevant Rating Agencies within the specified grace period;

(c) at the option of the Interest Rate Swap Provider, if any of the Priority of Payments is amended ((without the consent of the Interest Rate Swap Provider) such that the CB Guarantor's obligations to the Interest Rate Swap Provider under the Interest Rate Swap Agreement are further contractually subordinated to the CB Guarantor's obligations to any other Secured Creditor than they were immediately prior to such amendment;

(d) at the option of the Interest Rate Swap Provider, if any of the Transaction Documents are amended (without the consent of the Interest Rate Swap Provider), such that the Interest Rate Swap Provider would, immediately after such amendment, be required to pay more or receive less under the Interest Rate Swap Agreement than would otherwise have been the case immediately prior to such amendment or such that the Interest Rate Swap Provider would suffer an adverse consequence as a result of such amendment;

(e) at the option of the Interest Rate Swap Provider, if following a CBG Event of Default, the Bond Trustee serves a CBG Acceleration Notice on the Issuer;

(f) at the option of the CB Guarantor, upon the occurrence of the insolvency of the Interest Rate Swap Provider or any guarantor of the Interest Rate Swap Provider's obligations.

Upon the termination of the Interest Rate Swap pursuant to an Interest Rate Swap Early Termination Event, the CB Guarantor or the Interest Rate Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the Interest Rate Swap Agreement.

Any termination payment made by the Interest Rate Swap Provider to the CB Guarantor in respect of the Interest Rate Swap will first be used to pay a replacement Interest Rate Swap Provider to enter into a replacement Interest Rate Swap Agreement with the CB Guarantor, unless a replacement Interest Rate Swap Agreement has already been entered into on behalf of the CB Guarantor. Any premium received by the CB Guarantor from a replacement Interest Rate Swap Provider in respect of a replacement Interest Rate Swap Agreement will first be used to make any termination payment due and payable by the CB Guarantor with respect to the previous Interest Rate Swap under the Interest Rate Swap Agreement, unless such termination payment has already been made on behalf of the CB Guarantor.

The Interest Rate Swap Agreement is governed by the laws of New South Wales, Australia.

Covered Bond Swap Agreement

Where Covered Bonds are issued in a currency and/or on an interest rate basis different to the basis for the amounts payable to the CB Guarantor under the Interest Rate Swaps, the CB Guarantor will enter into one or more Covered Bond Swaps with one or more Covered Bond Swap Providers. Each Covered Bond Swap may be either a **Contingent Covered Bond Swap** or a **Current Covered Bond Swap** under a Covered Bond Swap Agreement.

Where the CB Guarantor enters into a Contingent Covered Bond Swap, the related Intercompany Loan Advance made under the Intercompany Loan will be made in Australian Dollars, regardless of the currency of the relevant Series or Tranche, as applicable, of Covered Bonds.

Each Contingent Covered Bond Swap will provide a hedge (after service of a Notice to Pay on the CB Guarantor) against (i) certain interest rate, currency and/or other risks in respect of amounts received by the CB Guarantor under the Interest Rate Swaps; and (ii) amounts payable by the CB Guarantor under the Covered Bond Guarantee in respect of the Covered Bonds (after service of a Notice to Pay).

Each Current Covered Bond Swap will provide a hedge against (i) certain interest rate, currency and/or other risks in respect of amounts received by the CB Guarantor under the Interest Rate Swaps; and (ii) amounts

payable by the CB Guarantor under the Intercompany Loan Agreement (prior to service of a Notice to Pay) and under the Covered Bond Guarantee in respect of the Covered Bonds (after service of a Notice to Pay).

Where required to hedge such risks, one or more Covered Bond Swap(s) will be entered into under a Covered Bond Swap Agreement in relation to each relevant Series or Tranche, as applicable, of Covered Bonds.

A Covered Bond Swap Agreement may relate to any number of Covered Bond Swaps in relation to any number of Series or Tranches of Covered Bonds.

Under the Contingent Covered Bond Swaps:

(a) the CB Guarantor will pay to the Covered Bond Swap Provider on each CBG Payment Date (or other date for payment specified in the relevant confirmation) after service of a Notice to Pay an amount in Australian Dollars calculated by reference to the BBSW Rate for Australian Dollar deposits (for such period as specified in the relevant confirmation) or such other rate as may be specified in the relevant Confirmation, plus a spread; and

(b) in return, the Covered Bond Swap Provider will pay to the CB Guarantor, on each Interest Payment Date after service of a Notice to Pay (or, if a Notice to Pay is served on an Interest Payment Date, on the second Business Day following such Interest Payment Date), an amount equal to the amounts that are then payable by the CB Guarantor under the Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds.

Unless the Contingent Covered Bond Swap terminates earlier or the Confirmation for the Covered Bond Swap provides otherwise, 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 Covered Bond Swap Provider will pay to the CB 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 CB Guarantor of the Australian Dollar Equivalent of that amount.

Under the Current Covered Bond Swaps:

(a) if the related Intercompany Loan Advance is made in Australian Dollars:

  (i) the CB Guarantor will pay to the Covered Bond Swap Provider on each CBG Payment Date (or other date for payment specified in the relevant confirmation) an amount in Australian Dollars calculated by reference to the BBSW Rate for Australian Dollar deposits (for such period as specified in the relevant confirmation) or such other rate as may be specified in the relevant Confirmation plus a spread; and

  (ii) in return, the Covered Bond Swap Provider will pay to the CB Guarantor on each Interest Payment Date an amount in Australian Dollars calculated by reference to the rate of interest payable under the relevant Series or Tranche of Covered Bonds;

(b) if the related Intercompany Loan Advance is made in a currency other than Australian Dollars:

  (i) on the relevant Issue Date:

    (A) the CB Guarantor will pay to the Covered Bond Swap Provider an amount equal to the amount received by the CB Guarantor under the related Intercompany Loan Advance (being the aggregate nominal amount of such Series or Tranche, as applicable, of Covered Bonds); and

    (B) in return the Covered Bond Swap Provider will pay to the CB Guarantor the Australian Dollar Equivalent of that amount;

(ii) thereafter:

1. the CB Guarantor will pay to the Covered Bond Swap Provider on each CBG Payment Date (or other date for payment specified in the relevant confirmation) an amount in Australian Dollars calculated by reference to the BBSW Rate for Australian Dollar deposits (for such period as specified in the relevant confirmation) or such other rate as may be specified in the relevant Confirmation plus a spread and the Australian Dollar Equivalent of the relevant portion of any principal due to be repaid in respect of the related Intercompany Loan Advance in accordance with the Intercompany Loan Agreement;

2. in return the Covered Bond Swap Provider will pay to the CB Guarantor on each Interest Payment Date an amount in the relevant currency equal to the relevant amounts payable by the CB Guarantor under the related Intercompany Loan Advance in accordance with the terms of the Intercompany Loan Agreement.

Unless the Current Covered Bond Swap terminates earlier or the Confirmation for the Covered Bond Swap provides otherwise, 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 Covered Bond Swap Provider will pay to the CB Guarantor an amount in the relevant currency equal to the principal then outstanding on the related Intercompany Loan Advance in exchange for payment by the CB Guarantor of the Australian Dollar Equivalent of that amount.

A Covered Bond Swap Agreement may be terminated in certain circumstances (each referred to as an "**Interest Rate Swap Early Termination Event**"), including:

(a) at the option of any party to the Covered Bond Swap Agreement, if there is a failure by the other party to pay any amounts due under the Covered Bond Swap Agreement within the specified grace period;

(b) at the option of the CB Guarantor in the event that the credit ratings or counterparty risk assessment (as applicable) of the Covered Bond Swap Provider, or any credit support provider, as applicable, are downgraded by the Rating Agencies below the credit ratings or counterparty risk assessment (as applicable) specified in the Covered Bond Swap Agreement and the Covered Bond Swap Provider does not take certain remedial measures which may include providing collateral for its obligations under the Covered Bond Swap Agreement, or arranging for its obligations under the Covered Bond Swap Agreement to be guaranteed by, or novated to, an entity whose unsecured and unsubordinated debt obligations have the ratings required by the relevant Rating Agencies, or taking such other action as it may agree with the relevant Rating Agencies within the specified grace period;

(c) at the option of the Covered Bond Swap Provider, if any of the Priority of Payments is amended ((without the consent of the Covered Bond Swap Provider) such that the CB Guarantor's obligations to the Covered Bond Swap Provider under the Covered Bond Swap Agreement are further contractually subordinated to the CB Guarantor's obligations to any other Secured Creditor than they were immediately prior to such amendment;

(d) at the option of the Covered Bond Swap Provider, if any of the Transaction Documents are amended (without the consent of the Covered Bond Swap Provider), such that the Covered Bond Swap Provider would, immediately after such amendment, be required to pay more or receive less under the Covered Bond Swap Agreement than would otherwise have been the case immediately prior to such amendment or such that the Covered Bond Swap Provider would suffer an adverse consequence as a result of such amendment;

(e) at the option of the Covered Bond Swap Provider, if following a CBG Event of Default, the Bond Trustee serves a CBG Acceleration Notice on the Issuer;

(f) at the option of the CB Guarantor, upon the occurrence of the insolvency of the Covered Bond Swap Provider or any guarantor of the Covered Bond Swap Provider's obligations.

Upon the termination of the Covered Bond Swap pursuant to a Covered Bond Swap Early Termination Event, the CB Guarantor or the Covered Bond Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the Covered Bond Swap Agreement.

Any termination payment made by the Covered Bond Swap Provider to the CB Guarantor in respect of the Covered Bond Swap will first be used to pay a replacement Covered Bond Swap Provider to enter into a replacement Covered Bond Swap Agreement with the CB Guarantor, unless a replacement Covered Bond Swap Agreement has already been entered into on behalf of the CB Guarantor. Any premium received by the CB Guarantor from a replacement Covered Bond Swap Provider in respect of a replacement Covered Bond Swap Agreement will first be used to make any termination payment due and payable by the CB Guarantor with respect to the previous Covered Bond Swap under the Covered Bond Swap Agreement, unless such termination payment has already been made on behalf of the CB Guarantor.

The Covered Bond Swap Agreement is governed by the laws of New South Wales, Australia.

Bank Account Agreement

Pursuant to the terms of the Bank Account Agreement, the Account Bank agrees to accept on deposit to the GI Account all monies transferred, from time to time, to the GI Account subject to and upon the terms of the Bank Account Agreement, the Trust Management Deed, the Security Trust Deed and the Participation Deed.

Amounts in the GI Account earn interest at the GIA Rate.

If the Account Bank ceases to be an Eligible Bank, then within 60 days (or such longer period as is agreed between the Account Bank and the CB Guarantor (at the direction of the Trust Manager) provided a Ratings Notification has been given by the Trust Manager in respect of the period):

(a) the CB Guarantor (at the direction of the Trust Manager) will close the CBG Accounts with the Account Bank and open replacement accounts with a financial institution that is an Eligible Bank; or

(b) the CB Guarantor (at the direction of the Trust Manager) will obtain a guarantee of the Account Bank's obligations under the Bank Account Agreement from a financial institution that is an Eligible Bank; or

(a) the CB Guarantor (at the direction of the Trust Manager) and the Account Bank will take such other action so as to ensure that the Account Bank ceasing to be an Eligible Bank would not cause an Adverse Rating Effect.

The Bank Account Agreement is governed by the laws of New South Wales, Australia.

Security Trust Deed

Security

Pursuant to the terms of the Security Trust Deed, the obligations of the CB Guarantor under or pursuant to the Transaction Documents to which it is a party are secured by the Security over the Collateral of the CB Guarantor.

In the event of any sale of Loans (including Selected Loans) and their Related Security or the transfer of or extinguishment of the CB Guarantor's interest in Loans and their Related Security (and any other related rights in connection with such Loans and Related Security) by or on behalf of the CB Guarantor pursuant to and in accordance with the Transaction Documents, including the repurchase of a Loan and its Related Security by the Seller, such Loans and their Related Security and Demand Loan Repayment Assets (as the

case may be) will no longer form part of the Collateral and will be expressly and unconditionally released from the Security created under the Security Trust Deed.

Except as expressly provided in the Transaction Documents, the Security Trustee need not exercise any of its rights under the Transaction Documents without the specific instructions of:

(a) if there are any Covered Bonds outstanding, the Bond Trustee; and

(b) otherwise, in accordance with an Extraordinary Resolution of the Secured Creditors of that Trust; and

neither the Bond Trustee nor any other Secured Creditor may instruct the Security Trustee:

(c) in the particular manner in which any of its rights are exercised or any of its obligations are performed under the Transaction Documents; or

(d) to do anything which is contrary to the terms of the Transaction Documents.

If the Security Trustee receives instructions from the Bond Trustee in accordance with paragraph (a) above, it agrees to follow them and (unless it has actual notice to the contrary, without any obligation to enquire or investigate) may assume that they are in accordance with the Transaction Documents, subject to the Security Trustee's liability being limited in accordance with the terms of the Trust Deed and the Security Trustee being indemnified to its satisfaction.

Notwithstanding the above, where a Transaction Document expressly provides that the Security Trustee may take any step or action in its discretion, then the Security Trustee may (but shall not be obliged to), at its discretion and without notice, take or not take such step or action, acting as it sees fit.

Under section 79 of the PPSA, a person who has granted security over an asset may nevertheless pass title to that asset to another person notwithstanding that the relevant dealing contravened the terms of the relevant security. Accordingly, if the CB Guarantor deals with the Trust Assets in breach of its undertaking described above, a third party could obtain title to those assets. However, if this occurred, the Security Trustee would remain entitled to enforce its rights against the CB Guarantor subject to the terms of the Transaction Documents in respect of that breach.

Enforcement

If a CBG Acceleration Notice is served on the CB Guarantor, the Security Trustee may, and, if so directed by the Bond Trustee shall, or, if there are no Covered Bonds outstanding, following a default in the payment or discharge of any of the other Secured Money on its due date, if so directed by an Extraordinary Resolution of all of the Secured Creditors must, do any or more of the following:

(a) declare at any time by notice to the CB Guarantor that an amount equal to the Secured Money is either:

  (i) payable on demand; or

  (ii) immediately due for payment; or

(b) take any action which it is permitted to take under the Security or at law.

If, in the opinion of the Security Trustee, the delay required to obtain instructions from the Bond Trustee or the Secured Creditors (as the case may be) would be materially prejudicial to the interests of the Covered Bondholders or the Secured Creditors (if no Covered Bonds are outstanding), the Security Trustee may (but is not obliged to) do the things specified in paragraph (a)(i) or (a)(ii) above without instructions from the Bond Trustee or the Secured Creditors (as the case may be).

All monies (other than any Third Party Amounts, Trust Back Assets, Swap Collateral Excluded Amounts and Demand Loan Repayment Assets) received by the Security Trustee or any Receiver from the enforcement of the Security will be applied in accordance with the Post-Enforcement Priority of Payments described under Cashflows.

Modification to Transaction Documents by the Security Trustee

The Security Trustee must agree to a variation of a Transaction Document where the Security Trustee is directed to do so by:

(a) the Bond Trustee, so long as there are Covered Bonds outstanding; or

(b) an Extraordinary Resolution of the Secured Creditors, if there are no Covered Bonds outstanding,

except to the extent that the Security Trustee determines that any such variation imposes an additional obligation or liability on the Security Trustee or reduces any fees or other amounts due to the Security Trustee.

The Security Trustee may agree to a variation of a Transaction Document (without the approval of the Bond Trustee or the Secured Creditors) if:

(a) there are no Covered Bonds outstanding; and

(b) the variation is, in the reasonable opinion of the Security Trustee:

(i) necessary to correct an obvious error, or is otherwise of a minor, formal, technical or administrative nature only; or

(ii) necessary or advisable to comply with any Law or any requirements of any Government Agency; or

(iii) not materially prejudicial to the Secured Creditors as a whole.

Each Secured Creditor agrees that any such modifications shall be binding on it and notice thereof shall be given by the Security Trustee to the Secured Creditors as soon as practicable after the modifications have been made, provided that in the case of giving notice to the Covered Bondholders, the Security Trustee's obligation shall be satisfied by giving notice to the Bond Trustee, and, if required by the Bond Trustee, the Issuer shall give notice thereof to the Covered Bondholders.

Authorisation or waiver of breach by the Security Trustee

The Security Trustee may:

(a) waive any breach or other non-compliance (or any proposed breach or non-compliance) with its obligations by the CB Guarantor in connection with a Transaction Document, or any CBG Event of Default or any other default; or

(b) determine that any CBG Event of Default or any other default has been remedied or shall not be treated as such,

if:

(c) so long as Covered Bonds are outstanding, the Bond Trustee has directed the Security Trustee to waive such breach or non-compliance or make such determination; or

(d) in the reasonable opinion of the Security Trustee, the waiver or determination is not materially prejudicial to the interests of the Secured Creditors as a whole.

The Security Trust Deed is governed by the laws of New South Wales, Australia.

Trust Deed

Pursuant to the Bond Trust Deed, Perpetual Corporate Trust Limited is appointed and agrees to act as the trustee of the Bendigo and Adelaide Bank Covered Bond Trust, being a unit trust, on behalf of the Unitholders of the Bendigo and Adelaide Bank Covered Bond Trust from time to time and agrees to hold the Trust Assets on trust for those Unitholders. The Trust Deed governs the manner in which units in the Bendigo and Adelaide Bank Covered Bond Trust are issued to Unitholders from time to time, and how payments are made to the Unitholders.

Perpetual Corporate Trust Limited enters into the Transaction Documents only in its capacity as trustee of the Bendigo and Adelaide Bank Covered Bond Trust and in no other capacity. A liability arising under or in connection with the Transaction Documents is limited to and can be enforced against the CB Guarantor only to the extent to which it can be satisfied out of the property of the Bendigo and Adelaide Bank Covered Bond Trust out of which the CB Guarantor is actually indemnified for the liability. This limitation of the CB Guarantor's liability applies despite any other provision of the Transaction Documents and extends to all liabilities and obligations of the CB Guarantor in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to the Transaction Documents.

The parties to the Transaction Documents, other than the CB Guarantor, have agreed that they may not sue the CB Guarantor in any capacity other than as trustee of the Bendigo and Adelaide Bank Covered Bond Trust, including to seek the appointment of a receiver (except in relation to property of the Bendigo and Adelaide Bank Covered Bond Trust), a liquidator, an administrator or any similar person to the CB Guarantor or to prove in any liquidation, administration or arrangement of or affecting the CB Guarantor (except in relation to property of the Bendigo and Adelaide Bank Covered Bond Trust).

The limited liability of the CB Guarantor will not apply to any obligation or liability of the CB Guarantor to the extent that it is not satisfied because under the Transaction Documents or by operation of law there is a reduction in the extent of the CB Guarantor's indemnification out of the assets of the Bendigo and Adelaide Bank Covered Bond Trust, as a result of the CB Guarantor's fraud, negligence or Wilful Default.

It is acknowledged that certain parties are each responsible under the Transaction Documents for performing a variety of obligations relating to the Bendigo and Adelaide Bank Covered Bond Trust. No act or omission of the CB Guarantor (including any related failure to satisfy its obligations or breach of representation or warranty under the Transaction Documents) will be considered fraud, negligence or Wilful Default of the CB Guarantor for the purpose of the preceding paragraph to the extent to which the act or omission was caused or contributed to by any failure by any party or any other person to fulfil its obligations relating to the Bendigo and Adelaide Bank Covered Bond Trust or by any other act or omission of any party, the Servicer, the Seller, the Asset Monitor or any other person.

The Trust Deed is governed by the laws of New South Wales, Australia.

Offshore Agency Agreement

Pursuant to the Offshore Agency Agreement entered into on or before the Execution Date between the Issuer, the CB Guarantor, the Bond Trustee, the Principal Paying Agent, the Offshore Registrar and the Transfer Agent, provision has been made for, among other things, payment of principal and interest in respect of the Covered Bonds and the maintenance of a register of the holders of the Covered Bonds. The Offshore Agency Agreement only applies to Covered Bonds which are not Australian Domestic Covered Bonds.

The Offshore Agency Agreement is governed by English law.

Australian Agency Agreement

Pursuant to the Australian Agency Agreement dated 5 June 2023 and made between the Issuer, the Australian Agent and the Registrar, provision has been made for, among other things, payment of principal and interest in respect of the Covered Bonds and the maintenance of the Australian Register of the holders of the Australian Domestic Covered Bonds. The Australian Agency Agreement only applies to Australian Domestic Covered Bonds.

The Australian Agency Agreement is governed by the laws of New South Wales, Australia.

CREDIT STRUCTURE

The Covered Bonds will be direct, unsecured, unconditional obligations of the Issuer, and will rank pari passu without any preference among themselves and, save for certain debts of the Issuer required to be preferred by law, including but not limited to, those referred to in Division 2 and 2AA of Part II of the Banking Act and section 86 of the Reserve Bank Act. The CB Guarantor has no obligation to pay the Guaranteed Amounts under the Covered Bond Guarantee until service of a Notice to Pay on the CB Guarantor following service by the Bond Trustee of an Issuer Acceleration Notice or, if earlier, following the occurrence of a CBG Event of Default and service by the Bond Trustee of a CBG Acceleration Notice.

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:

1 the Covered Bond Guarantee provides credit support in relation to the Issuer's obligations;

2 the Asset Coverage Test is intended to test the asset coverage of the CB Guarantor's assets in respect of the Covered Bonds outstanding;

3 the Amortisation Test is intended to test the asset coverage of the CB Guarantor's assets in respect of the Covered Bonds following service of a Notice to Pay on the CB Guarantor; and

4 under the terms of the Bank Account Agreement, the Account Bank has agreed to pay a variable rate of interest on all amounts held by the CB Guarantor in the GI Account at the GIA Rate.

Certain of these factors are considered more fully in the remainder of this section.

Covered Bond Guarantee

The Covered Bond Guarantee provided by the CB Guarantor under the Bond Trust Deed guarantees payment of Guaranteed Amounts when the same become Due for Payment in respect of all Covered Bonds issued under the Programme. The Covered Bond Guarantee will not guarantee any amount becoming payable for any other reason, including any accelerated payment pursuant to Condition 9 (*Events of Default and Enforcement*) following the service of a Notice to Pay. In this circumstance (and until a CBG Event of Default occurs and a CBG Acceleration Notice is served), the CB Guarantor's obligations will be to pay only the Guaranteed Amounts as they fall Due for Payment. Should any payments made by the CB Guarantor under the Covered Bond Guarantee be subject to any withholding or deduction on account of present or future Taxes, the CB Guarantor will not be obliged to pay additional amounts as a consequence.

See further *Overview of the Principal Documents – Bond Trust Deed* as regards the terms of the Guarantees. See further *Cashflows – Guarantee Priority of Payments* as regards the payment of amounts payable by the CB 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 whether the CB Guarantor can meet its obligations under the Covered Bond Guarantee prior to the service of a Notice to Pay or a CBG Acceleration Notice.

The Asset Coverage Test is a formula which calculates the Adjusted Aggregate Loan Amount by adjusting the Outstanding Principal Balance of the Loans based on the methodologies and cashflow models prescribed or reviewed, as the case may be, by the Rating Agencies, and has further adjustments to take into account, among other things, the failure by the Seller, in accordance with Mortgage Sale Deed, to repurchase Loans that do not materially comply with the Representations and Warranties on the relevant Assignment Date and the value of any Substitution Assets and/or Authorised Investments: see *Overview of the Principal Documents – Participation Deed – Asset Coverage Test*.

Under the Participation Deed, the Asset Coverage Test will be satisfied as of a Determination Date if the Adjusted Aggregate Loan Amount is at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds (each as at the last day of the immediately preceding Calculation Period).

If the Adjusted Aggregate Loan Amount is less than the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds (each as at the last day of the immediately preceding Calculation Period), the Asset Coverage Test will not be satisfied and the CB Guarantor (at the direction of the Trust Manager) will use all commercially reasonable efforts to ensure that the Adjusted Aggregate Loan Amount is in compliance with the Asset Coverage Test by purchasing additional Loans and their Related Security from the Seller (and if requested by the CB Guarantor, the Seller will use all commercially reasonable endeavours to offer to sell sufficient further Loans and their Related Security to the CB Guarantor in accordance with the Mortgage Sale Deed) and/or by acquiring further Substitution Assets and Authorised Investments and/or requesting a Demand Loan Advance, in each case to satisfy the shortfall.

If the Adjusted Aggregate Loan Amount is less than the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds as of the next following Determination Date, the Asset Coverage Test will be breached and the Bond Trustee will serve an Asset Coverage Test Breach Notice on the CB Guarantor.

An Asset Coverage Test Breach Notice will be deemed to be revoked by the Bond Trustee if, as of the Determination Date following service of the Asset Coverage Test Breach Notice, the Asset Coverage Test is satisfied and neither a Notice to Pay nor a CBG Acceleration Notice has been served.

If an Asset Coverage Test Breach Notice has been served and not deemed to be revoked by the Bond Trustee as of the Determination Date following service of an Asset Coverage Test Breach Notice, then an Issuer Event of Default will occur and the Bond Trustee will be entitled to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee must serve a Notice to Pay on the CB Guarantor.

Amortisation Test

The Amortisation Test is intended to test whether, following service of a Notice to Pay on the CB Guarantor (but prior to service on the CB Guarantor of a CBG Acceleration Notice), the assets of the CB Guarantor available to meet its obligations under the Covered Bond Guarantee have fallen to a level where Covered Bondholders may not be repaid, in which case a CBG Event of Default will occur and all amounts owing under the Covered Bonds may be accelerated.

The Amortisation Test is a formula which adjusts the Outstanding Principal Balance of the Loans based on the methodologies and cashflow models prescribed or reviewed, as the case may be, by the Rating Agencies, and has further adjustments to take account of Defaulted Loans: see *Overview of the Principal Documents – Participation Deed – Amortisation Test*.

Under the Participation Deed, the Amortisation Test will be satisfied as of a Determination Date following service of a Notice to Pay on the CB Guarantor if the Amortisation Test Aggregate Loan Amount is at least equal to the aggregate AUD Equivalent of the Principal Amount Outstanding of all Covered Bonds (each as at the last day of the immediately preceding Calculation Period).

Failure to satisfy the Amortisation Test will result in the occurrence of a CBG Event of Default – see Condition 10(b) (*CBG Events of Default*).

Reserve Fund Ledger

A Reserve Fund Ledger will be maintained by the Trust Manager to record the balance from time to time of the Reserve Fund Ledger.

If, on any AU Business Day prior to the service on the CB Guarantor of a Notice to Pay or a CBG Acceleration Notice, the Reserve Fund Required Ledger Balance (if applicable) exceeds the Reserve Fund Ledger Balance on that AU Business Day, the Trust Manager on behalf of the CB Guarantor will within five AU

Business Days of such day request an Intercompany Loan Advance or a Demand Loan Advance for an amount equal to the difference between the Reserve Fund Required Ledger Balance and the Reserve Fund Ledger Balance for the purpose of depositing the proceeds of the Intercompany Loan Advance or the Demand Loan Advance in the GI Account to fund the Reserve Fund Ledger.

If, on any Determination Date:

(a) prior to the service of a Notice to Pay or an Asset Coverage Test Breach Notice (if not revoked), the Reserve Fund Ledger Balance exceeds the Reserve Fund Required Ledger Balance (as at that Determination Date), the Trust Manager on behalf of the CB Guarantor will withdraw that excess amount from the Reserve Fund Ledger for application as part of the Available Income Amount on the immediately following CBG Payment Date in accordance with the relevant Priority of Payments; or

(b) on or after the service of a Notice to Pay or an Asset Coverage Test Breach Notice (if not revoked), the Trust Manager on behalf of the CB Guarantor will withdraw the Reserve Fund Ledger Balance (as at that Determination Date) from the Reserve Fund Ledger for application as part of the Available Income Amount on the immediately following CBG Payment Date in accordance with the relevant Priority of Payments.

Following the service of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund Ledger will be added to certain other income of the CB Guarantor in calculating the Available Income Amount.

The balance on the Reserve Fund Ledger in excess of the Reserve Fund Required Ledger Balance will form part of the Available Income Amount and be applied accordingly.

A reference to a deposit to or withdrawal from the Reserve Fund Ledger shall be interpreted to mean a deposit to or withdrawal from (as applicable) the GI Account with a corresponding record being made to the Reserve Fund Ledger.

CASHFLOWS

As described above under Credit Structure, until a Notice to Pay or a CBG Acceleration Notice is served on the CB Guarantor, 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 it has ultimately received any corresponding payment from the CB Guarantor.

This section summarises the Priority of Payments of the CB Guarantor, as to the allocation and distribution of amounts standing to the credit of the CBG Accounts and their order of priority:

(a) prior to service on the CB Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a CBG Acceleration Notice and/or realisation of the Security;

(b) following service of an Asset Coverage Test Breach Notice (and for so long as it has not been revoked);

(c) following service of a Notice to Pay; and

(d) following service of a CBG Acceleration Notice and/or realisation of the Security.

Calculation of the Available Income Amount and the Available Principal Amount

On the Determination Date immediately prior to each CBG Payment Date, the Trust Manager shall calculate:

(a) the Available Income Amount in respect of that Determination Date; and

(b) the Available Principal Amount in respect of that Determination Date.

Pre-Acceleration Income Priority of Payments

Prior to service on the CB Guarantor of an Asset Coverage Test Breach Notice (that has not been revoked), a Notice to Pay or a CBG Acceleration Notice, the Available Income Amount in respect of a CBG Payment Date shall be applied as described below.

On each CBG Payment Date the Trust Manager on behalf of the CB Guarantor will apply the Available Income Amount in respect of that CBG Payment Date to pay or provide for the following payments 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 paid in full):

(i) *first*, A$10 to the Residual Income Unitholder;

(ii) *next*, to pay any Accrued Interest Adjustments which are due and payable on that CBG Payment Date to the Seller under the Transaction Documents;

(iii) *next*, to pay any liability of the CB Guarantor for Taxes;

(iv) *next*, to pay pro rata and pari passu:

(A) any fees which are due and payable on that CBG Payment Date to the CB Guarantor under the Transaction Documents;

(B) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Bond Trustee under the Transaction Documents;

(C) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Security Trustee under the Transaction Documents;

(D) any fees, any Costs and any other amounts which are due and payable to the Agents under the Transaction Documents; and

(E) any Trust Expenses which are due and payable on that CBG Payment Date under the Transaction Documents to a party to a Transaction Document,

and to provide for any such amounts expected to become due and payable in the CBG Payment Period commencing on that CBG Payment Date;

(v) *next*, to pay all amounts which are due and payable on that CBG Payment Date by the CB Guarantor to any person (other than a party to a Transaction Document) and incurred without breach by the CB Guarantor of the Transaction Documents (and for which payment has not been provided for elsewhere in this Pre-Acceleration Income Priority of Payments and excluding any amounts payable in the Pre-Acceleration Principal Priority of Payments) and to provide for any such amounts expected to become due and payable by the CB Guarantor in the CBG Payment Period commencing on that CBG Payment Date;

(vi) *next*, to pay pro rata and pari passu:

(A) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Servicer under the Transaction Documents;

(B) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Trust Manager under the Transaction Documents;

(C) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Account Bank under the Bank Account Agreement;

(D) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Asset Monitor under the Asset Monitor Agreement,

and to provide for any such amounts expected to become due and payable in the CBG Payment Period commencing on that CBG Payment Date;

(vii) *next*, if the Interest Rate Swap Provider is not the Issuer, to pay pro rata and pari passu all amounts which are due and payable on that CBG Payment Date to the Interest Rate Swap Provider (excluding any Excluded Swap Termination Amount (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) under the relevant Interest Rate Swap;

(viii) *next*, to pay all interest which is due and payable on that CBG Payment Date to the Demand Loan Provider in respect of the Senior Portion Outstanding of the Demand Loan pursuant to the terms of the Demand Loan Agreement;

(ix) *next*, to pay *pro rata* and *pari passu*:

(A) if the Interest Rate Swap Provider is the Issuer, all amounts which are due and payable on that CBG Payment Date to the Interest Rate Swap Provider (excluding any Excluded Swap Termination Amount (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) under the relevant Interest Rate Swap;

(B) all amounts (other than in respect of principal) which are due and payable on that CBG Payment Date to each Covered Bond Swap Provider (excluding any Excluded Swap Termination Amount (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) under the relevant Covered Bond Swap Agreement; and

(C) in or towards payment of all amounts (other than principal) which are due and payable on that CBG Payment Date to the Intercompany Loan Provider in respect of the Intercompany Loan pursuant to the terms of the Intercompany Loan Agreement,

and to provide for any such amounts expected to become due and payable in the CBG Payment Period commencing on that CBG Payment Date and, in each case, after taking into account any amounts to be applied by the CB Guarantor in accordance with the section headed "Pre-Acceleration application of swap payments (income)" below;

(x) *next*, as a deposit to the GI Account (with a corresponding credit to the Reserve Fund Ledger) of an amount up to the amount by which the Reserve Fund Required Ledger Balance (if applicable) exceeds the Reserve Fund Ledger Balance as calculated as of the immediately preceding Determination Date;

(xi) *next*, if a Servicer Termination Event has occurred, all remaining Available Income Amount to be deposited to the GI Account until such Servicer Termination Event is either remedied by the Servicer or waived by the CB Guarantor or a new servicer is appointed as servicer of the Trust;

(xii) *next*, to pay *pro rata* and *pari passu*:

(A) any Excluded Swap Termination Amounts which are due and payable on that CBG Payment Date to each Interest Rate Swap Provider under the relevant Interest Rate Swap (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers); and

(B) any Excluded Swap Termination Amounts which are due and payable on that CBG Payment Date to each Covered Bond Swap Provider under the relevant Covered Bond Swap Agreements (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers),

and to provide for any such amounts expected to become due and payable in the CBG Payment Period commencing on that CBG Payment Date;

(xiii) *next*, to pay all amounts (other than principal) which are due and payable on that CBG Payment Date to the Demand Loan Provider in respect of the Demand Loan pursuant to the terms of the Demand Loan Agreement, to the extent not paid under paragraph (viii) above;

(xiv) next, to repay the principal amount of the Demand Loan (which relates to an Interest Rate Shortfall Demand Loan Advance or a Reserve Fund Deposit Demand Loan Advance) to the Demand Loan Provider pursuant to the terms of the Demand Loan Agreement; and

(xv) *next*, to the Residual Income Unitholder by way of distribution of the remaining income of the CB Guarantor.

Pre-Acceleration Principal Priority of Payments

Prior to service on the CB Guarantor of an Asset Coverage Test Breach Notice (that has not been revoked), a Notice to Pay or a CBG Acceleration Notice, the Available Principal Amount in respect of a CBG Payment Date shall be applied on that CBG Payment Date.

On each CBG Payment Date, the Trust Manager on behalf of the CB Guarantor will apply the Available Principal Amount in respect of that CBG Payment Date to pay or provide for the following payments 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):

(i) *first*, to pay any repurchase price adjustments which are due and payable on that CBG Payment Date to the Seller in accordance with the Mortgage Sale Deed;

(ii) next, to pay all or part (as applicable) of the Senior Portion Outstanding of the Demand Loan to the Demand Loan Provider pursuant to the terms of the Demand Loan Agreement, but only to the extent:

(A) a demand for repayment of all or part (as applicable) of the Senior Portion Outstanding of the Demand has been made under and as permitted by the Demand Loan Agreement; and

(B) that demand for repayment is not to be met by an In Kind Distribution in accordance with the Demand Loan Agreement;

(iii) *next*, to acquire Loans and their Related Security offered to the CB Guarantor by the Seller in accordance with the terms of the Mortgage Sale Deed and to invest in Substitution Assets and Authorised Investments, in an amount sufficient to ensure that the CB Guarantor is in compliance with the Asset Coverage Test;

(iv) *next*, as a deposit to the GI Account in an amount sufficient to ensure that the CB Guarantor is in compliance with the Asset Coverage Test;

(v) *next*, in or towards repayment of the principal amount of the Intercompany Loan to the Intercompany Loan Provider pursuant to the terms of the Intercompany Loan Agreement by making the following payments pro rata and pari passu:

(A) all amounts (in respect of principal) which are due and payable on that CBG Payment Date to each Covered Bond Swap Provider (including any termination payments (relating solely to principal) which are due and payable, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) under the relevant Current Covered Bond Swap; and

(B) all amounts (in respect of principal) which are due and payable on that CBG Payment Date to the Intercompany Loan Provider in respect of the Intercompany Loan pursuant to the terms of the Intercompany Loan Agreement, after taking into account any amounts to be applied by the CB Guarantor in accordance with the section headed “Pre-Acceleration application of swap payments (principal)” below,

and to provide for any such amounts expected to become due and payable in the CBG Payment Period commencing on that CBG Payment Date;

(vi) *next*, pro rata and pari passu:

(A) to acquire Loans and their Related Security offered to the CB Guarantor by the Seller in accordance with the terms of the Mortgage Sale Deed, or to provide for such acquisition in the CBG Payment Period commencing on that CBG Payment Date; and

(B) to reimburse the Seller in respect of Further Advances, to the extent agreed in accordance with the Mortgage Sale Deed;

(vii) *next*, in or towards repayment of the principal amount of the Demand Loan (excluding the principal amount which relates to an Interest Rate Shortfall Demand Loan Advance or a Reserve Fund Deposit Demand Loan Advance) to the Demand Loan Provider 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; and

(viii) *next*, as a deposit to the GI Account.

Nothing in the Pre-Acceleration Principal Priority of Payments above limits the application of the provisions of the Demand Loan Agreement which provide for the repayment of the Senior Portion Outstanding of the Demand Loan by an In Kind Distribution.

Distribution of Available Income Amount and Available Principal Amount following service on the CB Guarantor of an Asset Coverage Test Breach Notice

After the service on the CB Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to the service on the CB Guarantor of a Notice to Pay or a CBG Acceleration Notice, and for so long as any Covered Bonds remain outstanding:

(a) the Available Income Amount in respect of a Determination Date shall be applied on the immediately following CBG Payment Date in accordance with the Pre-Acceleration Income Priority of Payments, except that no amounts will be applied under paragraphs (ix)(C), (xiii), (xiv) or (xv) of the Pre-Acceleration Income Priority of Payments and any remaining amounts shall be deposited to the GI Account; and

(b) the Available Principal Amount in respect of a Determination Date shall be applied on the immediately following CBG Payment Date in accordance with the Pre-Acceleration Principal Priority of Payments, except that no amounts will be applied under paragraphs (i), (ii), (v) or (vii) of the Pre-Acceleration Principal Priority of Payments and any remaining amounts shall be deposited to the GI Account.

Guarantee Priority of Payments following a Notice to Pay

After the service on the CB Guarantor of a Notice to Pay, but prior to the service on the CB Guarantor of a CBG Acceleration Notice, the Available Income Amount and the Available Principal Amount in respect of a CBG Payment Date shall be applied on that CBG Payment Date as described below.

On each CBG Payment Date on and from the date that a Notice to Pay is served on the CB Guarantor, but prior to service on the CB Guarantor of a CBG Acceleration Notice, the Trust Manager on behalf of the CB Guarantor will apply the Available Income Amount and the Available Principal Amounts in respect of that CBG Payment Date (together with any amount retained in the GI Account on the immediately preceding CBG Payment Date under paragraph (xiii) below) to pay or provide for the following payments in the following order of priority (the "**Guarantee Priority of Payments**") (in each case only if and to the extent that payments of provisions of a higher priority have been paid in full):

(i) *first*, A$10 to the Residual Income Unitholder;

(ii) *next*, to pay any Accrued Interest Adjustments which are due and payable on that CBG Payment Date to the Seller under the Transaction Documents;

(iii) *next*, to pay any repurchase price adjustments which are due and payable on that CBG Payment Date to the Seller in accordance with the Mortgage Sale Deed;

(iv) *next*, to pay any liability of the CB Guarantor for Taxes;

(v) *next*, to pay *pro rata* and *pari passu*:

(A) any fees which are due and payable on that CBG Payment Date to the CB Guarantor under the Transaction Documents;

(B) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Bond Trustee under the Transaction Documents;

(C) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Security Trustee under the Transaction Documents;

(D) any fees, any Costs and any other amounts which are due and payable to the Agents under the Transaction Documents; and

(E) any Trust Expenses which are due and payable on that CBG Payment Date under the Transaction Documents to a party to a Transaction Document,

and to provide for any such amounts expected to become due and payable in the CBG Payment Period commencing on that CBG Payment Date;

(vi) *next*, to pay all amounts which are due and payable on that CBG Payment Date by the CB Guarantor to any person (other than a party to a Transaction Document) and incurred without breach by the CB Guarantor of the Transaction Documents (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 CB Guarantor in the CBG Payment Period commencing on that CBG Payment Date;

(vii) *next*, to pay *pro rata* and *pari passu*:

(A) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Servicer under the Transaction Documents;

(B) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Trust Manager under the Transaction Documents;

(C) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Account Bank under the Bank Account Agreement; and

(D) any fees, any Costs and any other amounts which are due and payable on that CBG Payment Date to the Asset Monitor under the Asset Monitor Agreement,

and to provide for any such amounts expected to become due and payable in the CBG Payment Period commencing on that CBG Payment Date;

(viii) *next*, if the Interest Rate Swap Provider is not the Issuer, to pay *pro rata* and *pari passu* all amounts which are due and payable on that CBG Payment Date (or that will become due and payable in the CBG Payment Period commencing on that CBG Payment Date) to the Interest Rate Swap Provider (excluding any Excluded Swap Termination Amount (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) under the relevant Interest Rate Swap;

(ix) next, to pay all interest which is due and payable on that CBG Payment Date to the Demand Loan Provider in respect of the Senior Portion Outstanding of the Demand Loan pursuant to the terms of the Demand Loan Agreement;

(x) *next*, to pay *pro rata* and *pari passu* (and without double counting):

(A) if the Interest Rate Swap Provider is the Issuer, to pay *pro rata* and *pari passu* all amounts which are due and payable on that CBG Payment Date (or that will become due and payable in the CBG Payment Period commencing on that CBG Payment Date) to the Interest Rate Swap Provider (excluding any Excluded Swap Termination Amount (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) under the relevant Interest Rate Swap;

(B) all amounts (other than in respect of principal) which are due and payable on that CBG Payment Date (or that will become due and payable in the CBG Payment Period commencing on that CBG Payment Date) to each Covered Bond Swap Provider (excluding any Excluded Swap Termination Amount (except to the extent that such

amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) under the relevant Covered Bond Swap Agreement; and

(C) (where appropriate, after taking into account all amounts received or receivable from the Covered Bond Swap Providers (other than in respect of principal) and available to make payments in respect thereof) the Scheduled Interest that is Due for Payment (or that will become Due for Payment in the CBG Payment Period commencing on that CBG Payment Date) 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 *pro rata* and *pari passu* in respect of each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (excluding all amounts received or to be received from the Covered Bond Swap Providers) would be insufficient to pay the AUD Equivalent of the Scheduled Interest that is or will be Due for Payment in respect of each Series of Covered Bonds paragraph (C) immediately above, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the CB 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 paragraph (B) immediately above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(xi) *next*, to pay *pro rata* and *pari passu*:

(A) the amounts (in respect of principal) which are due and payable on that CBG Payment Date (or that will become due and payable in the CBG Payment Period commencing on that CBG Payment Date) to the relevant Covered Bond Swap Provider *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the CB Guarantor under the relevant Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers)) in accordance with the terms of the relevant Covered Bond Swap Agreement; and

(B) (where appropriate, after taking into account all amounts in respect of principal received or receivable from the Covered Bond Swap Providers and available to make payments in respect thereof) Scheduled Principal that is Due for Payment (or that will become Due for Payment in the CBG Payment Period commencing on that CBG Payment Date) 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 *pro rata* and *pari passu* in respect of each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (excluding all amounts received or to be received from the Covered Bond Swap Providers) would be insufficient to pay the AUD Equivalent of the Scheduled Principal that is or will be Due for Payment in respect of each Series of Covered Bonds under paragraph (B) immediately above, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the CB 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 paragraph (A) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(xii) *next*, to pay on the CBG Payment Date (if such date is an Interest Payment Date) or to provide for payment on any Interest Payment Date prior to the next following CBG Payment Date of the Final Redemption Amount (or portion of the Final Redemption Amount 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, by making the following payments *pro rata* and *pari passu*:

(A) the amounts which are due and payable on that CBG Payment Date (or that will become due and payable in the CBG Payment Period commencing on that CBG Payment Date) to the relevant Covered Bond Swap Providers (whether or not in respect of principal) *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the CB Guarantor under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) in accordance with the terms of the relevant Covered Bond Swap Agreement; and

(B) the Final Redemption Amount (or portion of the Final Redemption Amount remaining unpaid) *pro rata* and *pari passu* 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,

provided that if the amount available for distribution under this paragraph (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the AUD Equivalent of the Final Redemption Amount in respect of the relevant Series of Covered Bonds under paragraph (B) immediately above, the shortfall shall be divided amongst all such Series of Covered Bonds on a pro rata basis and the amount payable by the CB Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each Series of Covered Bonds under paragraph (A) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(xiii) *next*, to deposit the remaining funds in the GI Account for application on the next following CBG Payment Date in accordance with the Guarantee Priority of Payments described in paragraph (ii) to paragraph (xii) above (inclusive), until the Covered Bonds have been fully repaid or repayment in full of the Covered Bonds has been provided for (such that the Required Redemption Amount has been accumulated in respect of each outstanding Series of Covered Bonds);

(xiv) *next*, to pay *pro rata* and *pari passu*:

(A) any Excluded Swap Termination Amounts which are due and payable on that CBG Payment Date to each Interest Rate Swap Provider under the relevant Interest Rate Swap; and

(B) any Excluded Swap Termination Amounts which are due and payable on that CBG Payment Date to each Covered Bond Swap Provider under the relevant Covered Bond Swap Agreements,

except to the extent that such amounts have already been paid out of any premiums received from the relevant replacement Swap Providers;

(xv) *next*, to pay all amounts which are due and payable on that CBG Payment Date to the Intercompany Loan Provider in respect of the Intercompany Loan pursuant to the terms of the Intercompany Loan Agreement;

(xvi) *next*, to pay all amounts which are due and payable on that CBG Payment Date to the Demand Loan Provider in respect of Demand Loan pursuant to the terms of the Demand Loan Agreement to the extent not paid under paragraph (ix) above;

(xvii) *next*, to pay or provide for any current or future obligation of the CB Guarantor, as determined by the Trust Manager; and

(xviii) *next*, to the Residual Income Unitholder by way of distribution of the remaining income of the CB Guarantor.

Nothing in the Guarantee Priority of Payments above limits the application of the provisions of the Demand Loan Agreement which provide for the repayment of the Senior Portion Outstanding of the Demand Loan by an In Kind Distribution.

Pre-Acceleration application of swap payments (income)

Prior to service on the CB Guarantor of a Notice to Pay or a CBG Acceleration Notice any amounts (other than in respect of principal and any Swap Collateral Excluded Amounts and any termination payments) received by or on behalf of the CB Guarantor under a Current Covered Bond Swap on or after a CBG Payment Date but prior to the immediately succeeding CBG Payment Date, will be applied by the CB Guarantor, together with any provision for such payments made on any preceding CBG Payment Date, in the following order of priority:

(a) first, to make payments (other than principal) due and payable pro rata and pari passu in respect of each relevant Intercompany Loan Advance under the Intercompany Loan Agreement 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; and

(b) next, to be applied in accordance with the Pre-Acceleration Income Priority of Payments as part of the Available Income Amount on that CBG Payment Date (if received on that CBG Payment Date) or (if received after that CBG Payment Date) on the immediately succeeding CBG Payment Date.

Pre-Acceleration application of swap payments (principal)

Prior to service on the CB Guarantor of a Notice to Pay or a CBG Acceleration Notice, any amounts (other than Swap Collateral Excluded Amounts and any termination payments) in respect of principal received by or on behalf of the CB Guarantor under a Current Covered Bond Swap (if any) on or after the CBG Payment Date but prior to the immediately succeeding CBG Payment Date, will be applied by the CB Guarantor, together with any provision for such payments made on any preceding CBG Payment 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), in the following order of priority:

(a) first, to make payments in respect of principal due and payable to the Intercompany Loan Provider in respect of the corresponding Intercompany Loan Advance under the Intercompany Loan Agreement 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; and

(b) next, to be applied in accordance with the Pre-Acceleration Principal Priority of Payments as part of the Available Principal Amount on that CBG Payment Date (if received on that CBG Payment Date) or (if received after that CBG Payment Date) on the immediately succeeding CBG Payment Date.

Guarantee application of swap payments following a Notice to Pay

On and from the date that a Notice to Pay is served on the CB Guarantor, but prior to service on the CB Guarantor of a CBG Acceleration Notice any amounts (other than Swap Collateral Excluded Amounts and any termination payments) received by or on behalf of the CB Guarantor under a Covered Bond Swap on or after a CBG Payment Date but prior to the immediately succeeding CBG Payment Date, will be applied by the CB Guarantor, together with any provision for such payments made on any preceding CBG Payment Date, in the following order of priority:

(a) first, to make payments of Scheduled Interest or Scheduled Principal that is Due for Payment, as the case may be, in respect of the Covered Bond Guarantee pro rata and pari passu in respect of each relevant Series of Covered Bonds; and

(b) next, to be applied in accordance with the Guarantee Priority of Payments as part of the Available Principal Amount on that CBG Payment Date (if received on that CBG Payment Date) or (if received after that CBG Payment Date) on the immediately succeeding CBG Payment Date.

Swap Termination Payments and Premiums

(a) If at any time the CB Guarantor receives any termination payment from a Swap Provider in respect of a Swap, such termination payment will first be used by the CB Guarantor to pay a replacement Swap Provider to enter into a replacement Swap with the CB Guarantor, unless a replacement Swap has already been entered into on behalf of the CB Guarantor.

(b) If at any time the CB Guarantor receives any premium from a replacement Swap Provider in respect of a replacement Swap, such premium will first be used by the CB Guarantor to make any termination payment due and payable by the CB Guarantor with respect to the previous Swap (including any Excluded Swap Termination Amount), unless such termination payment has already been made on behalf of the CB Guarantor.

Post-Enforcement Priority of Payments

Following the occurrence of a CBG Event of Default and delivery of a CBG Acceleration Notice by the Bond Trustee to the Security Trustee, the Security Trustee must distribute any amount that it receives or recovers in respect of the Bendigo and Adelaide Bank Covered Bond Trust (other than any Third Party Amounts, Trust Back Assets, Swap Collateral Excluded Amounts and Demand Loan Repayment Assets , certain other amounts received in respect of the Loans and payable to parties other than the CB Guarantor and certain other amounts payable to third parties (in each case to be applied in accordance with the Transaction Documents)) in the following order (the "**Post-Enforcement Priority of Payments**") (in each case only if and to the extent that payments of provisions of a higher priority have been fully paid or otherwise provided for in full):

(a) *first*, to any person with a prior ranking claim to the extent of that claim;

(b) *next*, in or towards payment pro rata and pari passu of:

(i) all amounts (including, fees and Costs) due and payable or to become due and payable to the CB Guarantor under the Transaction Documents;

(ii) all amounts (including fees and Costs) due and payable or to become due and payable to the Bond Trustee under the Transaction Documents (except amounts referred to in (g) below);

(iii) all amounts (including fees and Costs) due and payable or to become due and payable to the Security Trustee under the Transaction Documents or any receiver acting under the Security Trust Deed; and

(iv) all amounts (including, fees and Costs) due and payable or to become due and payable to the Agents under the Transaction Documents;

(c) *next*, in or towards payment *pro rata* and *pari passu* of:

(i) all amounts (including fees and Costs) due and payable or to become due and payable to the Account Bank under the Bank Account Agreement;

(ii) all amounts (including fees and Costs) due and payable or to become due and payable to the Asset Monitor under the Asset Monitor Agreement;

(iii) all amounts (including fees and Costs) due and payable or to become due and payable to the Servicer under the Transaction Documents; and

(iv) all amounts (including fees and Costs) due and payable or to become due and payable to the Trust Manager under the Transaction Documents;

(d) next, if the Interest Rate Swap Provider is not the Issuer in or towards payment pro rata and pari passu of all amounts due and payable or to become due and payable to each Interest Rate Swap Provider in respect of each Interest Rate Swap Provider (including any termination payment due or to become due and payable by the CB Guarantor under the Interest Rate Swap, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Interest Rate Swap;

(e) next, to pay all interest which is due and payable to the Demand Loan Provider in respect of the Senior Portion Outstanding of the Demand Loan pursuant to the terms of the Demand Loan Agreement;

(f) *next*, in or towards payment pro rata and pari passu:

(i) if the Interest Rate Swap Provider is the Issuer in or towards payment pro rata and pari passu of all amounts due and payable or to become due and payable to each Interest Rate Swap Provider in respect of each Interest Rate Swap Provider (including any termination payment due or to become due and payable by the CB Guarantor under the Interest Rate Swap, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Interest Rate Swap;

(ii) in or towards payment, pro rata and pari passu, of all amounts due and payable or to become due and payable to each Covered Bond Swap Provider (excluding any Excluded Swap Termination Amount) pursuant to the terms of the relevant Covered Bond Swap Agreement; and

(iii) (where appropriate, after taking into account all amounts received or receivable from the Covered Bond Swap Providers and available to make payments in respect thereof) all Guaranteed Amounts that are Due for Payment 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 *pro rata* and *pari passu* in respect of each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (f) (excluding all amounts received or to be received from the Covered Bond Swap Providers) would be insufficient to pay the AUD Equivalent of the Guaranteed Amounts that are Due for Payment in respect of each Series of Covered Bonds under paragraph (f)(iii) above, then:

(iv) the shortfall shall be divided amongst all such Series of Covered Bonds on a pro rata basis; and

(v) the amount payable to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds under paragraph (f)(ii) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(g) *next*, in or towards payment *pro rata* and *pari passu* of any Excluded Swap Termination Amounts then due and payable by the CB Guarantor under the Covered Bond Swap Agreements and the Interest Rate Swap Agreements, except to the extent that such amounts have been paid out of any premium received from the relevant replacement Swap Providers;

(h) *next*, in or towards payment of all amounts due and payable to the Intercompany Loan Provider under the Intercompany Loan Agreement;

(i) next, in or towards payment of all amounts due and payable to the Demand Loan Provider under the Demand Loan Agreement, to the extent not paid under paragraph (e) above; and

(j) *next*, the remainder as a distribution to the Residual Income Unitholder.

Nothing in the Post-Enforcement Priority of Payments above limits the application of the provisions of the Demand Loan Agreement which provide for the repayment of the Senior Portion Outstanding of the Demand Loan by an In Kind Distribution.

General

Except as otherwise specifically provided in a Transaction Document, all payments to be made by the CB Guarantor to any party to a Transaction Documents will be paid in accordance with the applicable Priority of Payments.

If the Trust Manager determines that any available funds are required to be exchanged into a currency other than Australian Dollars and such exchange would not be subject to or covered by the terms of a Covered Bond Swap, then the Trust Manager must (on behalf of the CB Guarantor) perform all necessary currency conversions at the then prevailing spot rate of exchange.

The following amounts will not be paid by the CB Guarantor in accordance with the applicable Priority of Payments but instead will be paid by or on behalf of the CB Guarantor out of the GI Account or otherwise directly to the parties to whom the amounts are payable in accordance with the applicable Transaction Documents:

(a) Third Party Amounts;

(b) Swap Collateral;

(c) Trust Back Assets.

GST

If GST is payable on any supply made under a Transaction Document, for which the consideration is not expressly stated to include GST, the recipient may be required to pay to the supplier an additional amount equal to the GST payable on the supply at the same time that the GST-exclusive consideration for the supply, or the first part of the GST-exclusive consideration for the supply (as the case may be), is to be provided. However:

(a) the recipient need not pay the additional amount until the supplier gives the recipient a tax invoice or an adjustment note;

(b) if an adjustment event arises in respect of the supply, the additional amount must be adjusted to reflect the adjustment event and the recipient or the supplier (as the case may be) must make any payments necessary to reflect the adjustment; and

(c) this paragraph does not apply to the extent that the GST on the supply is payable by the recipient under Division 84 of the GST Act.

If a party is required under a Transaction Document to indemnify another party, or pay or reimburse costs of another party, that party agrees to pay the relevant amount less any input tax credits to which the other party (or to which the representative member for a GST group of which the other party is a member) is entitled.

THE PORTFOLIO

General

The Seller will sell Loans and their Related Security to the CB Guarantor from time to time, in accordance with the terms of the Mortgage Sale Deed, as more fully described under *Overview of the Principal Documents – Mortgage Sale Deed*.

Other

See also the following risk factors under *Risk factors – Risk factors relating to the Covered Bonds – Limited description of the Loans*.

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 CB Guarantor, the Arrangers, the Dealers, the Agents, the Security Trustee or the Bond Trustee nor any of their respective affiliates 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 CB Guarantor nor any other party to the 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

Euroclear and Clearstream

Euroclear and Clearstream 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 provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

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 Euroclear and Clearstream 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.

Clearstream and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Covered Bonds among participants and accountholders of Clearstream and Euroclear. 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 Issuer, the CB Guarantor, the Arrangers, the Dealers, the Agents, the Bond Trustee or the Security Trustee nor any of their respective affiliates will be responsible for any performance by Clearstream or Euroclear 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.

TAXATION

AUSTRALIAN TAXATION

THE FOLLOWING IS A SUMMARY OF THE AUSTRALIAN WITHHOLDING TAX TREATMENT UNDER THE INCOME TAX ASSESSMENT ACTS OF 1936 AND 1997 OF AUSTRALIA (TOGETHER, THE AUSTRALIAN TAX ACT) AND THE TAXATION ADMINISTRATION ACT OF 1953 OF AUSTRALIA (TAX ADMINISTRATION ACT) AT THE DATE OF THIS PROSPECTUS OF PAYMENTS OF INTEREST BY THE ISSUER ON THE COVERED BONDS AND CERTAIN OTHER AUSTRALIAN TAX MATTERS.

IT IS NOT EXHAUSTIVE AND, IN PARTICULAR, DOES NOT DEAL WITH THE POSITION OF CERTAIN CLASSES OF HOLDERS OF COVERED BONDS (COVERED BONDHOLDERS) (INCLUDING, WITHOUT LIMITATION, DEALERS IN SECURITIES, OR CUSTODIANS OR THIRD PARTIES THAT HOLD THE COVERED BONDS ON BEHALF OF ANY PERSON). NOR DOES IT DEAL WITH COVERED BONDS ISSUED BY THE ISSUER FROM A BRANCH OUTSIDE AUSTRALIA, OR WITH DUAL CURRENCY/PARTLY PAID, INDEXED OR ZERO COUPON INSTRUMENTS. IF SUCH INSTRUMENTS ARE ISSUED, THEIR AUSTRALIAN TAXATION TREATMENT WILL BE SUMMARISED IN THE RELEVANT FINAL TERMS OR, IN THE CASE OF EXEMPT COVERED BONDS, THE RELEVANT PRICING SUPPLEMENT.

THE FOLLOWING SUMMARY IS A GENERAL GUIDE AND SHOULD BE TREATED WITH APPROPRIATE CAUTION. IT IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED AS, LEGAL OR TAX ADVICE TO ANY PARTICULAR COVERED BONDHOLDER. PROSPECTIVE COVERED BONDHOLDERS SHOULD BE AWARE THAT THE PARTICULAR TERMS OF ISSUE OF ANY SERIES OF COVERED BONDS MAY AFFECT THE TAX TREATMENT OF THAT AND OTHER SERIES OF COVERED BONDS. COVERED BONDHOLDERS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS ON THE TAX IMPLICATIONS OF AN INVESTMENT IN THE COVERED BONDS FOR THEIR PARTICULAR CIRCUMSTANCES.

Australian interest withholding tax (IWT)

The Australian Tax Act characterises securities as either “debt securities” (for all entities) or “equity interests” (for companies) including for the purpose of IWT under Division 11A of the Australian Tax Act and dividend withholding tax. IWT is payable at a rate of 10% on the gross amount of interest paid by the Issuer to a:

- Resident that acquires Covered Bonds or an interest in the Covered Bonds, or receives a payment in respect of the Covered Bonds, in carrying on a business at or through a permanent establishment outside of Australia; or

- Non-Resident which does not acquire Covered Bonds or an interest in the Covered Bonds, or receives a payment in respect of the Covered Bonds in carrying on a business at or through a permanent establishment in Australia,

unless an exemption is available.

For IWT purposes, “interest” is defined in section 128A(1AB) of the Australian Tax Act to include amounts in the nature of, or paid in substitution for, interest and certain other amounts. Any premium or issue discount would be interest for these purposes.

There are also specific rules that can apply to treat a portion of the purchase price of the Covered Bonds as interest for IWT purposes when Covered Bonds that are originally issued at a discount, or with a maturity premium, or which do not pay interest at least annually, are sold by a Non-Resident (other than one holding the Covered Bonds as part of a business carried on by it at or through a permanent establishment in Australia) to:

(a) a Resident that does not acquire them in carrying on business at or through a permanent establishment in a country outside Australia; or

(b) a Non-Resident that acquires them in carrying on business in Australia at or through a permanent establishment in Australia.

These abovementioned rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Covered Bonds had been held to maturity by a Non-Resident.

Exemption from IWT under section 128F of the Australian Tax Act (section 128F)

Interest on the Covered Bonds will be exempt from IWT under section 128F if the following requirements of are satisfied:

1. the Issuer is a company as defined in section 128F(9) (which includes certain companies acting in their capacity as trustee) and a resident of Australia when it issues those Covered Bonds and when interest is paid.

2. the Covered Bonds are debentures or debt interests that are not equity interests, and are issued in a manner which satisfies the "public offer test" in section 128F(3).

   There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in overseas capital markets are aware that the Issuer is offering those Covered Bonds for issue. In summary, the five methods are:

   - offers to 10 or more unrelated financiers, securities dealers or entities that carry on a business of providing finance or investing or dealing in securities;
   - offers to 100 or more investors of a certain type;
   - offers of listed Covered Bonds;
   - offers via publicly available information sources; and
   - offers to a dealer, manager or underwriter who, under an agreement with the Issuer, offers to sell those Covered Bonds within 30 days by one of the preceding methods.

   A Covered Bond may also satisfy the public offer test if it qualifies as a "global bond" within the meaning of section 128F(10) of the Australian Tax Act;

3. the Issuer does not know or have reasonable grounds to suspect, at the time of issue, that those Covered Bonds or interests in those Covered Bonds were being, or would later be, acquired directly or indirectly by an Offshore Associate of the Issuer, except as permitted by section 128F(5) of the Australian Tax Act; and

4. at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an Offshore Associate of the Issuer, except as permitted by section 128F(6) of the Australian Tax Act.

Compliance with section 128F

Prior to each issue of Covered Bonds, the Issuer and the relevant Dealers for the issue must consult to determine:

- whether it is intended that the issue will satisfy section 128F; and
- if so, the way in which the public offer test is to be satisfied.

In the absence of a determination being made under paragraph (a), the issue is to be intended to satisfy the public offer test.

Covered Bondholders in Specified Countries

The Australian Government has signed new or amended double tax conventions ("**New Treaties**") with a number of countries (each a "**Specified Country**") which contain certain exemptions from IWT.

In broad terms, the New Treaties effectively prevent or reduce IWT applying to interest derived by:

- the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; or

- a "financial institution" which is a resident of the Specified Country and which is unrelated to and dealing wholly independently with the Issuer. The term "financial institution" refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.

The Australian Federal Treasury maintains a listing of Australia's double tax conventions. This listing is available to the public on the Treasury Department's website.

Payment of additional amounts because of a deduction or withholding in respect of IWT

If the Issuer is, at any time, compelled by law to deduct or withhold an amount in respect of IWT, then it must, subject to certain exceptions set out in Condition 8 (*Taxation*), pay such additional amounts as may be necessary in order to ensure that the aggregate amounts received by the Covered Bondholders after such deduction or withholding equal the amounts that would have been received by them had no such deduction or withholding been required.

However, it is noted that Condition 8 (*Taxation*) provides that the Issuer will not be obliged to pay such additional amounts on account of IWT which is payable by reason of the Covered Bondholder being an associate (as defined in section 128F) of the Issuer or the CB Guarantor.

Payments by CB Guarantor

Under the Covered Bond Guarantee, the CB Guarantor may become required to pay amounts to Covered Bondholders in respect of interest payable by the Issuer on the Covered Bonds. It is unclear whether or not any payment by the CB Guarantor under the Covered Bond Guarantee on account of interest owing by the Issuer in respect of the Covered Bonds would be subject to IWT. There are good arguments that such payments (other than interest paid on an overdue amount) do not constitute "interest" for IWT purposes, and therefore should not be subject to IWT. In any case, the ATO has publicly stated in a Taxation Determination that the exemption from IWT under section 128F will extend to payments made by a guarantor on behalf of an issuer, provided that the guaranteed instruments were issued in a manner that satisfied the requirements of section 128F.

Withholding under section 126 of the Australian Tax Act (section 126) on Covered Bonds in bearer form

Section 126 imposes a withholding tax (see below for the rate of withholding tax) on the payment of interest on bearer debentures if the issuer fails to disclose the names and addresses of certain holders of those debentures to the ATO. Section 126 does not apply to the payment of interest on debentures held by Non-Residents that do not carry on business at or through a permanent establishment in Australia where the issue of the debentures satisfied the requirements of section 128F. However, the operation of section 126 in relation to debentures held in some circumstances can be complex. Section 126 will not apply in any circumstances if the name and address of the holder of the bearer debentures is disclosed to the ATO. The ATO has issued a Taxation Determination stating that where interests in debentures are held by persons

through a clearing house which lodges the bearer debentures with a common depositary, the disclosure of the name and address of the clearing house will be sufficient for section 126 purposes.

The rate of withholding tax is 45% under current law.

Condition 8 (*Taxation*) provides that the Issuer will not be obliged to pay additional amounts on account of taxes which it is required to deduct and withhold under section 126 (or any equivalent provision) in respect of interest payable on such bearer Covered Bonds where the tax would not be payable were the Covered Bondholder not a Resident or a Non-Resident engaged in carrying on business in Australia at or through a permanent establishment in Australia.

Withholding for failure to provide Tax File Number ("TFN") / Australian Business Number ("ABN") on Covered Bonds in registered form

Withholding by the Issuer

The Issuer is required to deduct and withhold tax from payments of interest at a rate that is currently 47% on the Covered Bonds unless a TFN or, in certain circumstances, an ABN has been provided to the Issuer by the Covered Bondholder, or the Covered Bondholder has supplied the Issuer with proof of some other relevant exemption.

Provided that the requirements of section 128F have been satisfied with respect to the Covered Bonds, the TFN / ABN withholding rules will not apply to payments to Covered Bondholders that are Non-Residents and do not hold the Covered Bonds in carrying on business in Australia at or through a permanent establishment in Australia.

Condition 8 (*Taxation*) provides that the Issuer will not be obliged to pay additional amounts on account of taxes deducted or withheld on payments made in respect of Covered Bonds in certain circumstances including payments made to a Covered Bondholder that could lawfully avoid (but has not so avoided) such deduction or withholding by complying with any statutory certification, identification or other reporting requirement or by making a declaration of non-residence or other claim or filing for exemption.

Withholding by the CB Guarantor

The CB Guarantor will not be an "investment body" as defined for the purposes of the TFN / ABN withholding rules. Therefore, in the event that the CB Guarantor is required to make payments to the Covered Bondholders, the CB Guarantor will not be required to comply with the TFN / ABN withholding rules.

Other Australian withholding taxes

Non-resident withholding tax

Under section 12-315 of Schedule 1 to the Taxation Administration Act, regulations may be made that require amounts to be withheld on account of tax liabilities of Non-Residents from certain payments that are made by an Australian entity to such Non-Residents.

These rules do not currently apply to payments in relation to the Covered Bonds, either by the Issuer or under the Covered Bond Guarantee. However, the possible application of any future regulations to payments received by Non-Residents in respect of the Covered Bonds will need to be monitored.

Supply withholding tax

Payments in respect of the Covered Bonds will be able to be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act.

Other Australian tax matters

Income tax – Offshore Covered Bondholders

Other than IWT (see discussion above), the payment of principal and interest to a holder of the Covered Bonds, who is a Non-Resident and who, during the taxable year, does not hold the Covered Bonds in carrying on business at or through a permanent establishment in Australia ("**Offshore Covered Bondholder**"), should not be subject to any other Australian income taxes.

Income tax – Australian Covered Bondholders

A Resident or Non-Resident who holds the Covered Bonds in the course of carrying on business at or through a permanent establishment in Australia ("**Australian Covered Bondholder**") will be assessable for Australian income tax purposes on income either received or accrued to them in respect of the Covered Bonds. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Covered Bondholder and the Terms and Conditions of the Covered Bonds. Special rules apply to the taxation of Residents who hold the Covered Bonds in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located.

Gains on disposal of Covered Bonds by Offshore Covered Bondholders

Offshore Covered Bondholders Australia will not be subject to Australian income tax on gains realised by them on the sale or redemption of the Covered Bonds provided that such gains do not have an Australian source. A gain arising on the sale of Covered Bonds by an Offshore Covered Bondholder to another Offshore Covered Bondholder where the Covered Bonds are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not generally be regarded as having an Australian source.

Gains on disposal of Covered Bonds by Australian Covered Bondholders

Australian Covered Bondholders will be required to include any gain or loss on disposal of the Covered Bonds in their taxable income. Special rules apply to the taxation of Australian residents who hold the Covered Bonds in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located.

Garnishee directions

The Commissioner of Taxation for Australia may give a direction under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the Taxation Administration Act or any similar provision requiring the Issuer or the CB Guarantor to deduct or withhold from any payment to any other party (including any Covered Bondholder) any amount in respect of tax payable by that other party. If the Issuer or the CB Guarantor is served with such a direction, the Issuer or the CB Guarantor intends to comply with that direction and make any deduction or withholding required by that direction.

Goods and services tax (GST)

Neither the issue, nor the receipt, of the Covered Bonds will give rise to a liability for GST in Australia on the basis that the supply of the Covered Bonds will comprise either an "input taxed financial supply" or (in the case of a supply to a Non-Resident Covered Bondholder outside Australia and certain areas offshore of Australia, which together comprise the "indirect tax zone") a "GST-free supply". Furthermore, neither the payment of principal or interest by the Issuer or amounts payable by the CB Guarantor, nor the disposal or redemption of the Covered Bonds, would give rise to any GST liability in Australia.

Estate duties

No Covered Bonds will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death.

Stamp duties

No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Covered Bonds.

UK TAXATION

The following is a summary of the Issuer's understanding of the current UK withholding tax treatment at the date hereof in relation to payments of interest by the Issuer and certain payments by the CB Guarantor, in each case in respect of Covered Bonds. The comments do not deal with other UK tax aspects of acquiring, holding or disposing of Covered Bonds. The comments relate only to the position of persons who hold their Covered Bonds as an investment for UK tax purposes and who are the absolute beneficial owners of Covered Bonds. The UK tax treatment of prospective Covered Bondholders depends on their individual circumstances and the comments in this summary may not apply to certain categories of Covered Bondholder to whom special rules apply or who are subject to specific tax regimes. Prospective Covered Bondholders should be aware that the particular terms of issue of a series of Covered Bonds (including as specified in the relevant Final Terms(or, in the case of Exempt Covered Bonds, including as specified in the relevant Pricing Supplement), as applicable, may affect the tax treatment of that and other series' of Covered Bonds issued.

The tax summary provided in this section does not constitute tax advice and does not purport to address all tax considerations that may be relevant to a prospective Covered Bondholder. This tax summary does not address any tax consequences arising under the laws of jurisdictions other than the UK. The tax summary in this section is based on UK tax law and published practice of HM Revenue & Customs (HMRC) as at the date of this Prospectus (which may not be binding on HMRC), both of which are subject to change, possibly with retrospective effect.

The below description of the UK withholding tax position assumes that there will be no substitution of the Issuer pursuant to Condition 15 (Meetings of Covered Bondholders, Modification, Waiver and Substitution) of the Terms and Conditions of the Covered Bonds and does not consider the Tax consequences of any such substitution.

Covered Bondholders who are in any doubt as to their Tax position should consult their professional advisers.

Covered Bondholders who may be liable to Tax in jurisdictions other than the UK in respect of their acquisition, holding or disposal of Covered Bonds are advised to consult their professional advisers as to whether they are liable (and, if so, under the laws of which jurisdictions). In particular, Covered Bondholders should be aware that they may be liable to Tax under the laws of other jurisdictions in relation to payments in respect of Covered Bonds even if such payments may be made without withholding or deduction for or on account of Tax under the laws of the UK.

Payments by the Issuer

Payments of interest on the Covered Bonds that do not have a UK source may be made without deduction or withholding for or on account of UK income tax. If interest paid on the Covered Bonds does have a UK source, then payments may be made without deduction or withholding for or on account of UK income tax in any of the circumstances set out at (A) to (C) below.

(A) Interest paid by banks

Interest on the Covered Bonds can be expected to be paid without withholding or deduction for or on account of UK tax if the Issuer is and continues to be a "bank" for the purposes of section 878 of the Income Tax Act 2007 ("**ITA**") and if such payments are made by the Issuer in the ordinary course of its business within the meaning of section 878 of ITA. Covered Bondholders should note that the Issuer may not constitute a "bank" for the purposes of section 878 ITA if it does not have permission under Part 4A of FSMA to accept deposits.

(B) Certain Covered Bonds listed on a recognised stock exchange

In addition to the exemption set out in (A*)* "*Interest paid by banks*" above, certain Covered Bonds issued by the Issuer, which carry a right to interest, should constitute "quoted Eurobonds" provided they are and continue to be either validly listed on a "recognised stock exchange" or admitted to trading on a multilateral trading facility operated by a regulated recognised stock exchange (for the purposes of section 987 of ITA).

Pursuant to section 1005 of ITA, securities are listed on a "recognised stock exchange" for these purposes if they are (i) admitted to trading on any market of a recognised stock exchange which is for the time being designated as a recognised stock exchange for the purposes of section 1005 of ITA by order made by HMRC or on any market outside the UK which is for the time being so designated and (ii) included in the "Official List" (within the meaning of and in accordance with Part 6 of FSMA) or are officially listed in a qualifying country outside the UK in accordance with provisions corresponding to those generally applicable in EEA States. The London Stock Exchange is a recognised stock exchange for these purposes.

Provided that any relevant Covered Bonds are and continue to be quoted Eurobonds (which they should be if they are and continue to be (i) admitted to trading on the London Stock Exchange and (ii) included in the Official List as defined above), payments of interest on such Covered Bonds may be made without withholding or deduction for or on account of UK tax.

Covered Bondholders should note that the Exempt Covered Bonds are not expected to be quoted Eurobonds if they are not listed on a recognised stock exchange or admitted to trading on an applicable multilateral trading facility as referred to above.

(C) Other cases

In cases not falling within one of the exemptions described in (A) "*Interest paid by banks*" or (B) "*Covered Bonds listed on a recognised stock exchange*" above, payments of interest on the Covered Bonds may fall to be paid after deduction of UK tax at the basic rate (currently 20 per cent.), subject to such relief as may be available under the provisions of any applicable double taxation treaty or any other exemption which may apply. However, such obligation to deduct an amount in respect of UK tax will generally not apply if the relevant interest is paid on Covered Bonds with a maturity of less than one year from the date of issue and which are not issued under arrangements the effect or intention of which is to render such Covered Bonds part of a borrowing with a total term of a year or more.

Payments by CB Guarantor

If the CB Guarantor makes any payments in respect of the Covered Bonds that do not have a UK source, such payments should be able to be made without withholding or deduction for or on account of UK tax.

The UK withholding tax treatment of payments by the CB Guarantor under the terms of the Covered Bond Guarantee which have a UK source is uncertain. If the CB Guarantor makes any UK source payments in respect of the Covered Bonds, such payments may be subject to UK withholding tax at the basic rate (currently 20 per cent.), subject to such relief as may be available under the provisions of any applicable double taxation treaty or any other exemption which may apply. Such payments by the CB Guarantor may not be eligible for the exemptions described in the section headed "*Payments by the Issuer*" above.

Other rules relating to UK withholding tax

Covered Bonds may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Covered Bonds will not generally be subject to any UK withholding tax, as long as any payments in respect of the accrued discount do not constitute payments of interest.

Where Covered Bonds are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest with a UK source may be subject to UK withholding tax.

Where interest has been paid after deduction of UK tax, Covered Bondholders who are resident for Tax purposes in a jurisdiction that has a double taxation treaty with the UK may be able to recover all or part of the Tax deducted if there is an appropriate provision in that applicable double taxation treaty.

Where a payment on a Covered Bond does not constitute (or is not treated as) interest for UK tax purposes, and the payment has a UK source, it would potentially be subject to UK withholding tax if, for example, it constitutes (or is treated as) an annual payment or a manufactured payment for UK tax purposes (which will

be determined by, amongst other things, the terms and conditions specified by the Final Terms of the Covered Bond or, in the case of Exempt Covered Bonds, the Pricing Supplement). In such a case, the payment may fall to be made under deduction of UK tax, subject to such relief or exemption as may be available.

The references to "interest" above (including in the sections headed "Payments by the Issuer" and "Payments by CB Guarantor" above) mean "interest" as is understood for the purposes of UK tax law. The references above to interest or other payments or income having a "UK source" (including in the sections headed "Payments by the Issuer" and "Payments by CB Guarantor" above) are to "UK source" as determined for the purposes of UK tax law. The statements above do not take any account of any different definitions of "interest" or "source" which may prevail under any other law or which may be created by the Terms and Conditions, the Final Terms, the Pricing Supplement of Covered Bonds or any related documentation.

U.S. FOREIGN ACCOUNT TAX COMPLIANCE ACT (FACTCA)

It is possible that, in order to comply with FATCA, the Issuer and/or the CB Guarantor (or, if the Covered Bonds are held through another financial institution, such other financial institution) may be required (pursuant to an agreement entered into with the United States or under applicable Law (including pursuant to the terms of any applicable intergovernmental agreement entered into between the United States and any other jurisdiction)) (i) to request certain information from the Covered Bondholders or beneficial owners of the Covered Bonds, which information may be provided to the IRS, and (ii) to withhold U.S. tax on any portion of any payment with respect to the Covered Bonds treated as a foreign passthru payment made two years or more after the date on which the final regulations that define "foreign passthru payments" are published if such information is not provided or if payments are made to certain foreign financial institutions that have not entered into a similar agreement with the United States (and are not otherwise required to comply with the FATCA regime under applicable Law (including pursuant to the terms of any applicable intergovernmental agreement entered into between the United States and any other jurisdiction)). If the Covered Bonds are treated as debt for U.S. federal income tax purposes and the payment is made under a grandfathered obligation, FATCA withholding is not expected to apply. Generally, a grandfathered obligation is any obligation issued on or before the date that is six months after the date on which final regulations that define "foreign passthru payments" are published.

Reporting Australian Financial Institutions ("**RAFIs**") under the Australia–U.S. FATCA Intergovernmental Agreement dated 28 April 2014 ("**Australian IGA**") must comply with specific due diligence procedures. In general, these procedures seek to identify account holders and provide the Australian Taxation Office ("**ATO**") with information on financial accounts held by U.S. persons and recalcitrant account holders. The ATO is required to provide such information to the IRS. Consequently, Covered Bondholders may be requested to provide certain information and certifications to the Issuer, the CB Guarantor and to any other financial institutions through which payments on the Covered Bonds are made. A RAFI that complies with its obligations under the Australian IGA will not be subject to FATCA withholding on amounts it receives, and will not be required to deduct FATCA withholding from payments it makes, other than in certain prescribed circumstances.

If the Issuer, the CB Guarantor or any other person is required to withhold or deduct amounts arising under or in connection with FATCA from any payments made with respect to the Covered Bonds, the Covered Bondholders and the beneficial owners of the Covered Bonds will not be entitled to receive any gross up or other additional amounts on account of any such withholding or deduction. FATCA is complex and its application to the Covered Bonds remains uncertain. Each Covered Bondholder and beneficial owner is advised to consult their own tax advisors as to the application of FATCA to the Covered Bonds.

CRS

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information ("**CRS**") requires certain financial institutions to report information regarding certain accounts (which may include the Covered Bonds) to their local tax authority and follow related due diligence procedures. Holders or beneficial owners of Covered Bonds may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement may provide

this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

OTHER WITHHOLDINGS

There may be other occasions in other jurisdictions 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, nor the CB Guarantor, nor 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 8 (*Taxation*) of the Covered Bonds.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have, pursuant to an Amended and Restated Programme Agreement dated 5 June 2023 (as the same may be further amended and/or supplemented and/or restated from time to time, the "**Programme Agreement**"), agreed with the Issuer and the CB 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 under *Form of the Covered Bonds* and *Terms and Conditions of the Covered Bonds* above. As at the date of this Prospectus, the Dealers are Barclays Bank PLC and National Australia Bank Limited, but the Issuer may appoint other dealers from time to time in accordance with the 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 the Programme Agreement, the Issuer has agreed to reimburse and indemnify the Dealers for certain of their expenses and liabilities in connection with the establishment and any future updates of the Programme and the issue of Covered Bonds under the Programme. The Dealers are entitled to be released and discharged from their obligations in relation to any agreement to purchase Covered Bonds under the Programme Agreement in certain circumstances prior to payment to the Issuer.

Except in any market in Australia, in order to facilitate the offering of any Tranche of the Covered Bonds, certain persons participating in the offering of the Tranche may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Covered Bonds during and after the offering of the Tranche. Specifically, such persons may over-allot or create a short position in the Covered Bonds for their own account by selling more Covered Bonds than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Covered Bonds in the open market. In addition, such persons may stabilise or maintain the price of the Covered Bonds by bidding for or purchasing Covered Bonds in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker dealers participating in the offering of the Covered Bonds are reclaimed if Covered Bonds previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Covered Bonds at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Covered Bonds to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time. Under UK laws and regulations stabilising activities may only be carried on by the stabilising manager named in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement and only for a period of 30 days following the Issue Date of the relevant Tranche of Covered Bonds.

Certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, 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 the Issuer or the Issuer's affiliates. Dealers or their affiliates which have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which would consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially any Covered Bonds issued under the Programme. Any such short positions could adversely affect future trading prices of any 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.

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 initial and subsequent purchaser of Registered Covered Bonds will be deemed to have acknowledged, represented and agreed as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

(a) 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 the securities laws of any state of the United States or the securities laws of any other jurisdiction and, accordingly, neither the Covered Bonds nor the Covered Bond Guarantee may be offered, sold, delivered, transferred, pledged, encumbered or otherwise disposed of unless in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities law;

(b) that it is a purchaser acquiring such Registered Covered Bonds in an offshore transaction within the meaning of Regulation S and that it is not a U.S. person (and is not acquiring such Covered Bonds for the account or benefit of a U.S. person) within the meaning of Regulation S;

(c) that neither the Issuer nor the CB Guarantor has any obligation to register the Covered Bonds or the Covered Bond Guarantee under the Securities Act;

(d) that Covered Bonds initially offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Covered Bonds;

(e) if it holds Covered Bonds represented by a Regulation S Global Covered Bond or a Definitive Regulation S Covered Bond, 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 later of the commencement of the offering and the Issue Date), it will do so only (i) outside the United States in compliance with Rule 903 or 904 under the Securities Act and (ii) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Covered Bonds represented by a Regulation S Global Covered Bond or a Definitive Regulation S Covered Bond will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY AND ANY GUARANTEE IN RESPECT THEREOF HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OF ANY STATES OF THE UNITED STATE OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT IN RESPECT OF THIS SECURITY AND ANY GUARANTEE IN RESPECT THEREOF (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. UNTIL THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE ISSUE DATE, SALES MAY NOT BE MADE IN THE UNITED STATES OR TO U.S. PERSONS UNLESS MADE PURSUANT TO RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT.";

(f) either (A) it is not an employee benefit plan subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a plan subject to Section 4975 of the Code, or an entity whose underlying assets include the assets of any such employee benefit plan or plan, and

it is not purchasing the Covered Bonds (or any interest therein) on behalf of or with "plan assets" of any such employee benefit plan, plan or entity, and it is not a governmental, church or non-U.S. plan ("**non-ERISA arrangement**") which is subject to any federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of section 406 of ERISA or section 4975 of the Code ("**similar law**") or (B) its acquisition, holding and disposition of such Covered Bonds (or any interest therein) will not constitute or result in a prohibited transaction under section 406 of ERISA or section 4975 of the Code for which an exemption is not available or, in the case of a non-ERISA arrangement, its acquisition, holding and disposition of such Covered Bonds (or any interest therein) will not constitute or result in a violation of any similar law; and

(g) 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 shall promptly notify the Issuer and the Dealers through which it purchased any Covered Bonds; 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.

Selling Restrictions

United States

Each Dealer has acknowledged, and each further Dealer appointed under the Programme Agreement will be required to acknowledge, that the Covered Bonds and the Covered Bond Guarantee have not been, and will not be, registered under the Securities Act, the securities laws of any state of the United States or the securities laws of any other jurisdiction and neither the Covered Bonds nor the Covered Bond Guarantee may be offered, sold, delivered, transferred, pledged, encumbered or otherwise disposed of directly or indirectly 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. Accordingly, the Covered Bonds and the Covered Bond Guarantee are being offered hereby only outside the United States to persons other than U.S. persons in reliance upon Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Covered Bonds in bearer form are subject to U.S. tax law requirements and may not be offered or sold to any person who is a U.S. person or who is within the United States or its possessions, or delivered within the United States or its possessions, except in certain transactions permitted by U.S. Treasury regulations. Each Dealer has agreed that it will not offer or sell a Covered Bond in bearer form to any person who is a U.S. person or who is within the United States or its possessions, or deliver a Covered Bond in bearer form within the United States or its possessions, except as permitted by the Programme Agreement. Terms used in this paragraph have the meanings given to them by the Code and U.S. Treasury regulations promulgated thereunder.

In connection with any Covered Bond represented by a Regulation S Global Covered Bond or any Definitive Regulation S Covered Bond ("**Regulation S Covered Bond**") and the Covered Bond Guarantee, 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, sell or deliver any such Regulation S Covered Bond and the Covered Bond Guarantee within the United States or to, or for the account or benefit of, U.S. persons (a) as part of its distribution at any time, or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date ("**Distribution Compliance Period**"), 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 Bond during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of such Regulation S Covered Bond 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.

In addition, during the Distribution Compliance Period, any offer or sale of any Regulation S Covered Bond within the United States by any dealer (who is not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to a valid exemption.

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 Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement 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 MiFID II; or

(ii) a customer within the meaning of 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 EU Prospectus Regulation; 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 purchase or subscribe for the Covered Bonds.

Prohibition of Sales to UK 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 Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the UK by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the EUWA; or

(iii) not a qualified investor as defined in the UK Prospectus Regulation; 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 purchase or subscribe for the Covered Bonds.

UK

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 which have 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 as 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 CB Guarantor, or, in the case of the Issuer and BEN, would not, if either were not an authorised person, apply to the Issuer or BEN; 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 UK.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Covered Bonds 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 unless the relevant Final Terms or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement otherwise provides, it:

(a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of any Covered Bonds in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, the Prospectus or any other offering material or advertisement relating to the Covered Bonds in Australia,

unless:

(i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 (or its equivalent in other currencies but disregarding moneys lent by the offeror, inviter or its associates (as defined in the Corporations Act)) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act and the offer or invitation is not made to a person who is a retail client within the meaning of Section 761G of the Corporations Act;

(ii) such action complies with all applicable laws, regulations and directives; and

(iii) such action does not require any document to be lodged with ASIC.

In addition, each Dealer has undertaken, and each further Dealer appointed under the Programme will be required to undertake, that it will not sell any Covered Bond to any person in circumstances where any officers or employees of such Dealer directly involved in the sale, know or have reasonable grounds to suspect, that the Covered Bond (or an interest in or right in respect of the Covered Bond) was being or would later be, acquired either directly or indirectly by an Offshore Associate of the Issuer (other than an Offshore Associate acting in the capacity of a dealer, manager or underwriter in relation to the placement of the Covered Bond or a clearing house, custodian, funds manager or "responsible entity" of a "registered scheme" within the meaning of the Corporations Act).

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 (i) 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 (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of 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 any 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 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

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that (1) it has not offered, sold or delivered and will not directly or indirectly offer, sell or deliver any Covered Bonds and (2) it will not distribute any offering circular or advertisement in relation to any offer of Covered Bonds, in New Zealand, other than:

(a) to "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the Financial Markets Conduct Act 2013 of New Zealand ("**FMC Act**"), being a person who is:

(A) an "investment business";

(B) "large"; or

(C) a "government agency",

in each case as defined in Schedule 1 to the FMC Act; or

(b) in other circumstances where there is no contravention of the FMC Act, provided that (without limiting paragraph (a) above) Covered Bonds may not be offered or transferred to any "eligible investors" (as defined in the FMC Act) or any person that meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMC Act.

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 the Covered Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Covered Bonds or cause the 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 the Covered Bonds, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act) pursuant to Section 274 of the Securities and Futures Act;

(b) to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or to any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Covered Bonds are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Covered Bonds pursuant to an offer made under Section 275 of the Securities and Futures Act except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the Securities and Futures Act;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the Securities and Futures Act; or

(e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B of the Securities and Futures Act – Unless otherwise stated in the Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement in respect of any Covered Bonds, all Covered Bonds issued or to be issued under the Programme shall be capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) 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).

Canada

This Prospectus constitutes an offering of Covered Bonds only in the Provinces of British Columbia, Ontario and Quebec (the "**Provinces**"), only to persons to whom Covered Bonds may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Prospectus is not a prospectus, an advertisement or a public offering of securities in the Provinces. This Prospectus may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this Prospectus, the merits of the Covered Bonds or the offering of Covered Bonds and any representation to the contrary is an offence. No prospectus has been, or will be, filed in the Provinces with respect to the offering of Covered Bonds or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Covered Bonds in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the Covered Bonds.

The Issuer as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Issuer or its directors or officers. All or a substantial portion of the assets of the Issuer and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Issuer or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Issuer or such persons outside Canada.

Any financial information contained in this Prospectus has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this Prospectus are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the Covered Bonds should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the Covered Bonds as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this Prospectus, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Covered Bonds (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque*

manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Italy

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in Italy or elsewhere in the European Union. Accordingly, this Prospectus may not be made available, nor may the Covered Bonds be offered for sale, in Italy except in circumstances that do not require a prospectus under Article 1(4) of the EU Prospectus Regulation.

In accordance with Article 1(4)(a) of the EU Prospectus Regulation, an offer of Covered Bonds in Italy is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Switzerland

The Covered Bonds may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Covered Bonds constitutes a prospectus or a similar notice, as such terms are understood under Article 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the Covered Bonds has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this Prospectus will not be filed with, and the offer of Covered Bonds will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this Prospectus nor any other offering or marketing material relating to the Covered Bonds may be publicly distributed or otherwise made publicly available in Switzerland. The Covered Bonds will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This Prospectus is personal to the recipient and not for general circulation in Switzerland.

Korea

The Issuer is not making any representation with respect to the eligibility of any recipients of this Prospectus to acquire the Covered Bonds under the laws of Korea, including the Foreign Exchange Transaction Act and regulations thereunder. The Covered Bonds have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea ("**FSCMA**") and therefore may not be offered or sold (directly or indirectly) in Korea or to any resident of Korea or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.

Accordingly, the Covered Bonds may not be offered or sold in Korea other than to "accredited investors" (as defined in the FSCMA).

Taiwan

The Covered Bonds have not been registered in Taiwan nor approved by the Financial Supervisory Commission of the Republic of China (Taiwan). Holders of the Covered Bonds may not resell them in Taiwan nor solicit any other purchasers in Taiwan.

Macau

The Covered Bonds have not been and will not be promoted, distributed, sold or delivered in Macau, or any document relating to the Covered Bonds be distributed or circulated in Macau, except under the terms of and in compliance with the Macau Financial System Act and any other laws in Macau that may apply to the offer and sale of the Covered Bonds in Macau. The Covered Bonds have not been and will not be registered or otherwise authorised for public offer under the Financial System Act of Macau, thus may not be offered

or sold in Macau, unless such offer is made by Macau licensed entities according to the Macau Financial System Act and upon their communication to the Macau Monetary Authority, in observation of the guidelines and recommendations issued by the Macau local regulatory authority from time to time.

The overseas offer to Macau investors will not require special licensing or authorisation, provided that it does not involve a public offer or the circulation of marketing materials in or the performance of other offering material acts in Macau.

General

Each Dealer has represented and agreed (to the best of its knowledge and belief), and each further Dealer appointed under the Programme will be required to represent and agree, that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Covered Bonds or possesses or distributes the Prospectus or any Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Covered Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, the CB Guarantor nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the CB Guarantor, the Arrangers or any of the Dealers has represented that 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.

The Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Dealers may engage in transactions with, or perform services for the Issuer or the CB Guarantor in the ordinary course of business. Some of the Dealers or their affiliates have, directly or indirectly, performed investment and/or commercial banking or financial advisory services for the Issuer and the CB Guarantor, for which they have received customary fees and commissions, and they expect to provide these services to the Issuer and the CB Guarantor in the future, for which they will receive customary fees and commissions. In the ordinary course of their various business activities, the Dealers and their respective 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, and such investment and securities activities may involve securities and/or instruments of the Issuer or the CB Guarantor. If any of the Dealers or their affiliates have a lending relationship with the Issuer or the CB Guarantor, certain of those Dealers or their affiliates routinely hedge, and certain other of those Dealers or their affiliates may hedge, their credit exposure to the Issuer or the CB Guarantor consistent with their customary risk management policies. Typically, these 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 the securities of the Issuer, including potentially the Covered Bonds offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Covered Bonds offered hereby. The Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. This Prospectus may be used by any Dealer for offers and sales related to market-making transactions in the Covered Bonds. Each Dealer may act as principal or agent in these transactions. These sales will be made at prices relating to prevailing market prices at the time of sale. Each Dealer does not have any obligation to make a market in the Covered Bonds, and any market-making may be discontinued at any time without notice.

GENERAL INFORMATION

Legal Compliance

The Issuer, Bendigo and Adelaide Bank Limited (ABN 11 068 049 178), is duly incorporated under the laws of Australia. It is operating in conformity with its Constitution and the laws of Australia.

The Issuer has obtained all necessary consents, approvals and authorisations in Australia and the United Kingdom in connection with the establishment and update of the Programme and the issue and performance of the Covered Bonds.

Authorisation

The establishment and update of the Programme was authorised pursuant to a resolution of the Issuer's Directors passed on 31 May 2022 and an approval given on 28 September 2022 by the Issuer's Chief Financial Officer. The Issuer and the CB Guarantor have obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Covered Bonds.

Documents available

So long as Covered Bonds are capable of being issued under the Programme, copies of the following documents will be available from the Issuer, in electronic form, on request:

(a) the constitutive documents of the Issuer and the CB Guarantor;

(b) the most recently published audited consolidated financial statements of the Issuer and the independent auditor's report thereon;

(c) the most recently audited financial statements of the Bendigo and Adelaide Bank Covered Bond Trust;

(d) the Transaction Documents, including the Bond Trust Deed (which includes the Covered Bond Guarantee and the forms of Global Covered Bonds, Covered Bonds in definitive form, Coupons and Talons);

(e) this Prospectus;

(f) any future information memoranda, offering circulars, prospectuses and supplements to this Prospectus and any other documents incorporated herein or therein by reference;

(g) each Final Terms or Pricing Supplement, as the case may be (save that any Final Terms relating to an unlisted Covered Bond will only be available for inspection by a holder of such Covered Bonds and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of such Covered Bond and its identity).

So long as Covered Bonds are capable of being issued under the Programme, copies of the following documents will be available to the Bondholders from the specified office of the Bond Trustee, or be available electronically via email from the Bond Trustee during usual business hours (being between 9:00 am and 3:00 pm Monday to Friday (other than a public holiday), in each case, following prior written request and satisfactory proof of holding:

(a) the Transaction Documents, including the Bond Trust Deed (which includes the Covered Bond Guarantee and the forms of Global Covered Bonds, Covered Bonds in definitive form, Coupons and Talons);

(b) this Prospectus; and

(c) each Final Terms or Pricing Supplement, as the case may be (save that any Final Terms relating to an unlisted Covered Bond will only be available to a holder of such Covered Bonds and such holder must produce evidence satisfactory to the Issuer and the Bond Trustee as to its holding of such Covered Bond and its identity).

For the period of 12 months following the date of this Prospectus, the following documents can be inspected at http:///www.bendigoadelaide.com.au/investor-centre/investor-information/:

(a) the up to date Constitutions of the Issuer and the CB Guarantor; and

(b) all reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in the registration document.

Clearing systems

The Covered Bonds have been accepted for clearance through Euroclear and Clearstream. The appropriate Common Code and ISIN for each Tranche of Covered Bonds allocated by Euroclear and Clearstream, and if applicable, the FISN and/or CFI, will be specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement. In addition, the Issuer may make an application for any Australian Domestic Covered Bonds to be accepted for trading in the Austraclear System. The Austraclear I.D. number and any relevant ISIN and Common Code for Australian Domestic Covered Bonds and, if applicable, the FISN and/or CFI, will be specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement. 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 Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg. The address of Austraclear is 20 Bridge Street, Sydney, NSW 2000, Australia.

Significant or material change

Since 30 June 2022, there has been no material adverse change in the prospects of the Group. The Issuer's material controlled entities are set out in Section 29 of the Issuer's 2022 audited consolidated financial statements (which are incorporated by reference in this Prospectus). Bendigo and Adelaide Bank Limited is the ultimate parent of the Group.

Since 31 December 2022, the last day of the financial period in respect of which the most recent published consolidated financial statements of the Group have been published, there has been no significant change in the financial position or the financial performance of the Group.

Since the establishment of the Bendigo and Adelaide Bank Covered Bond Trust, there has been no material adverse change in the prospects of the CB Guarantor or the Bendigo and Adelaide Bank Covered Bond Trust. There has been no significant change in the financial position or the financial performance of the CB Guarantor or the Bendigo and Adelaide Bank Covered Bond Trust since the establishment of the Bendigo and Adelaide Bank Covered Bond Trust.

Litigation

There are no, nor during the 12 months before the date of this Prospectus have there been, any legal, arbitration or governmental proceedings (including any such proceedings which are pending or threatened) of which the Issuer is aware, which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Issuer and its controlled entities, taken as a whole.

There are no, nor since the establishment of the Trust on 11 October 2022 have there been, any legal, arbitration or governmental proceedings (including any such proceedings which are pending or threatened) of which the CB Guarantor is aware, which may have, or have had in the recent past, significant effects on

the financial position or profitability of the CB Guarantor or the Bendigo and Adelaide Bank Covered Bond Trust.

Independent auditors

The independent auditors of the Issuer are Ernst & Young, with their principal office at 8 Exhibition Street, Melbourne, Victoria, Australia, who have audited the Issuer's financial statements, without qualification, for the financial years ending 30 June 2021 and 30 June 2022. No financial information in this Prospectus other than the financial statements incorporated by reference (see the section headed "*Documents Incorporated by Reference*" above) has been audited. The independent auditors of the Issuer have no material interest in the Issuer.

The partners of Ernst & Young are typically members of the Institute of Chartered Accountants of Australia and New Zealand, but the firm itself is not a member.

Reports

The Bond Trust Deed provides that the Bond Trustee may rely on reports or other information from professional advisers or other experts in accordance with the provisions of the Bond Trust Deed, whether or not any such report or other information, or engagement letter or 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.

Post-issuance information

The Trust Manager (on behalf of the Issuer) will prepare and make available a monthly Investor Report detailing, among other things, compliance with the Asset Coverage Test and other information relating to the Loans. This information will be available on a website maintained for this purpose. Initially this will be found on the website http:///www.bendigoadelaide.com.au/investor-centre/investor-information/.

Yield of Fixed Rate Covered Bonds

The inclusion in this Prospectus or any Final Terms or, in the case of Exempt Covered Bonds, the Pricing Supplement of an indication of the yield of any Fixed Rate Covered Bonds is an indication of the yield at the Issue Date and is calculated at the Issue Date on the basis of the Issue Price. Potential investors in any Fixed Rate Covered Bonds should not regard it as an indication of future yield.

Contracts (Rights of Third Parties) Act 1999 (UK)

The Contracts (Rights of Third Parties) Act 1999 provides, *inter alia*, that persons who are not parties to a contract governed by the laws of England and Wales may be given enforceable rights under such contract. Unless specifically provided in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement to the contrary, this Programme expressly excludes the application of the Contracts (Rights of Third Parties) Act 1999 to any issue of Covered Bonds under the Programme.

GLOSSARY

"**$**", "**U.S.$**", "**USD**" or "**U.S. Dollars**" means the lawful currency for the time being of the United States of America;

"**£**", "**Sterling**", "**sterling**" or "**pounds**" sterling means the lawful currency for the time being of the UK of Great Britain and Northern Ireland;

"**¥**", "**Yen**" or "**JPY**" means the lawful currency for the time being of Japan;

"**€**", "**Euro**" or "**euro**" means the lawful currency for the time being of the Member States of the European Union that have adopted or may adopt the single currency introduced at the start of the third stage of European Economic Monetary Union pursuant to the Treaty of Rome of 25 March 1957, as amended by, *inter alia*, the Single European Act of 1986 and the Treaty of European Union of 7 February 1992 and the Treaty of Amsterdam of 2 October 1997, establishing the European Community;

"**30/360**", "**360/360**" or "**Bond Basis**" has the meaning given to it in the Terms and Conditions;

"**30E/360**" or "**Eurobond Basis**" has the meaning given to it in the Terms and Conditions;

"**30E/360 (ISDA)**" has the meaning given to it in the Terms and Conditions of Covered Bonds;

"**A$**", "**Australian Dollars**", "**Australian $**" or "**AUD**" means the lawful currency for the time being of Australia;

"**ABM**" means AB Management Pty Ltd (ABN 75 070 500 855);

"**ACCC**" means the Australian Competition and Consumer Commission;

"**Account Bank**" means, initially, National Australia Bank Limited, and any other financial institution which accedes to the Bank Account Agreement as an Account Bank in accordance with the Bank Account Agreement;

"**Accountholders**" has the meaning given on page 94;

"**Accrued Interest**" means, in relation to a Loan as at any date, all interest and fees which has accrued in respect of that Loan but which has not yet been paid as at (but excluding) that date;

"**Accrued Interest Adjustment Amount**" means, in relation to a Loan, all interest which has accrued in respect of that Loan but which has not yet been paid as at (but excluding) the relevant Assignment Date for that Loan.

"**Acquisition Demand Loan Advance**" has the meaning given on page 225;

"**Actual/360**" has the meaning given to it in the Terms and Conditions;

"**Actual/365**" has the meaning given to it in the Terms and Conditions;

"**Actual/365 (Fixed)**" has the meaning given to it in the Terms and Conditions;

"**Actual/Actual**" or "**Actual/Actual (ISDA)**" has the meaning given to it in the Terms and Conditions;

"**Actual/Actual (ICMA)**" has the meaning given to it in the Terms and Conditions;

"**ADI**" has the meaning given on page x;

"**Additional Business Centre(s)**" means the city or cities specified as such in the applicable Final Terms or Pricing Supplement;

"**Additional Termination Event**" has the meaning given to it in the Interest Rate Swap Agreement and/or the relevant Covered Bond Swap Agreement, as the context may require;

"**Adjusted Aggregate Loan Amount**" has the meaning given on page 247;

"**Adjusted Required Redemption Amount**" has the meaning given to it on page 254;

"**Administration Rules**" has the meaning given on page 84;

"**Advances**" means an amount advanced, or to be advanced, by the Issuer to the CB Guarantor under the Intercompany Loan Agreement, including any Deemed Advances but, for the avoidance of doubt, excluding any deferred interest under clause 6.4 ("Deferred Interest") of the Intercompany Loan Agreement;

"**Adverse Effect**" means an event which will materially and adversely affect the amount of any payment to the Covered Bondholders, or will materially and adversely affect the timing of such payment;

"**Adverse Rating Effect**" means an effect which results in the downgrading or withdrawal of the then current rating of any of the Covered Bonds by a Rating Agency;

"**Affected Loans**" has the meaning given to it on page 229;

"**Affected Party**" has the meaning given to it in the Interest Rate Swap Agreement and/or the relevant Covered Bond Swap Agreement, as the context may require;

"**Agency Agreement**" means the Offshore Agency Agreement and/or the Australian Agency Agreement, as the context so requires;

"**Agents**" means the Paying Agents, the Registrars, the Transfer Agents and any Calculation Agent;

"**Agreement Date**" means, in respect of any Covered Bond, the date on which agreement is reached for the issue of such Covered Bond as contemplated in the Programme Agreement which, in the case of the Covered Bonds issued on a syndicated basis or otherwise in relation to which a Subscription Agreement is entered into, shall be the date on which the relevant Subscription Agreement is signed by or on behalf of all the parties to it;

"**AML/CTF**" means anti-money laundering and counter-terrorism financing;

"**AML/CTF Act**" means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Australia);

"**Amortisation Test**" has the meaning given to it on page 27;

"**Amortisation Test Aggregate Loan Amount**" has the meaning given to it on page 252;

"**Amortisation Test Outstanding Principal Balance**" has the meaning given to it on page 252;

"**Approved External Dispute Resolution Scheme**" means an external dispute resolution scheme approved under and in accordance with Clause 47(1)(i) of the NCCP and Regulation 10(3) of the Regulations;

"**APRA**" means the Australian Prudential Regulation Authority;

"**Arrangers**" means Barclays Bank PLC and National Australia Bank Limited (each an "**Arranger**");

"**in Arrears**" or "**in arrears**" means, in respect of a Loan, the relevant Borrower fails to pay any amount in respect of that Loan on the day it was due. Delayed payments arising from payment holidays based on early

repayments by the Borrower in accordance with the terms of the Loan or from maternity or paternity leave repayment reductions which are granted by the Seller or the Servicer will not constitute a failure to pay amounts when due for the purposes of this definition.

"**ASIC**" means the Australian Securities and Investments Commission;

"**Assessment Date**" means each date falling every 6 months after the first Issue Date of Covered Bonds (or such other date as may be agreed between the Trust Manager and the Asset Monitor);

"**Asset Coverage Test**" has the meaning given to it on page 247;

"**Asset Coverage Test Breach Notice**" means the notice required to be served by the Bond Trustee in the form set out in schedule 6 (Form of Asset Coverage Test Breach Notice) to the Bond Trust Deed;

"**Asset Coverage Test Demand Loan Advance**" has the meaning given to it on page 225;

"**Asset Monitor**" means Ernst & Young, or any substitute asset monitor appointed as such in accordance with the Asset Monitor Agreement;

"**Asset Monitor Agreement**" means the asset monitor agreement entered into on or about 11 October 2022 between the Asset Monitor, the CB Guarantor and others, as amended from time to time;

"**Asset Monitor Fee**" has the meaning given to it in clause 7.1 ("Asset Monitor Fee") of the Asset Monitor Agreement;

"**Asset Monitor Report**" means a report in the form set out in schedule 2 ("Form of Asset Monitor Report") to the Asset Monitor Agreement containing the results of the tests conducted by the Asset Monitor in accordance with the Asset Monitor Agreement to be delivered to the Trust Manager, the CB Guarantor and others;

"**Asset Percentage**" has the meaning given to it on page 250;

"**Asset Percentage Adjusted Outstanding Principal Balance**" has the meaning given to it on page 249;

"**Asset Registers**" has the meaning given to it on page 256;

"**Assignment Date**" means, in respect of a Loan, the date on which that Loan is assigned by the Seller to the CB Guarantor in accordance with the Mortgage Sale Deed;

"**ASX**" means the Australian Securities Exchange (ASX);

"**ATO**" means the Australian Taxation Office;

"**AUD Equivalent**" or "**Australian Dollar Equivalent**" means, in relation to the calculation of any amount which is denominated:

(a) in a currency other than Australian Dollars, the Australian Dollar equivalent of the relevant amount ascertained using the relevant Covered Bond Swap Rate; and

(b) in Australian Dollars, the relevant amount in Australian Dollars;

"**AUSTRAC**" means the Australian Transaction Reports and Analysis Centre;

"**Austraclear**" means Austraclear Limited (ABN 94 002 060 773);

"**Austraclear Regulations**" means the regulations known as the "Austraclear Regulations", together with any instructions or directions, (as amended or replaced from time to time) established by Austraclear to govern the use of the Austraclear System and binding on the participants of that system;

"**Austraclear System**" means the clearing and settlement system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between participants of that system;

"**Australian Agency Agreement**" means the agency agreement dated 5 June 2023 and made between the Issuer and the Australian Registrar;

"**Australian Agent**" means P.T. Limited ABN 67 004 454 666;

"**Australian Bond Basis**" has the meaning given to it in the Terms and Conditions;

"**Australian Credit Licence**" has the meaning given to that term in the NCCP;

"**Australian Domestic Covered Bond**" means a Covered Bond denominated in Australian Dollars, governed by Australian law and issued in uncertificated registered form in accordance with the Bond Trust Deed;

"**Australian Register**" means the register of the holders of Australian Domestic Covered Bonds maintained by the Australian Agent and Registrar in accordance with the Australian Agency Agreement;

"**Australian Registrar**" means P.T. Limited ABN 67 004 454 666;

"**Australian Tax Act**" has the meaning given on page 284;

"**AU Business Day**" means a day (other than a Saturday and a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Sydney and Melbourne.

"**Authorisation**" includes:

(a) any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with a Government Agency; or

(b) in relation to anything which will be fully or partly prohibited or restricted by law if a Government Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action;

"**Authorised Investments**" means each of:

(a) an at call Australian Dollar deposit held with an Eligible Bank and convertible into cash within 2 AU Business Days of request for conversion;

(b) an Australian Dollar bill or certificates of deposit issued by an Eligible Bank with a remaining maturity of 30 days or less and maturing on or before the next following CBG Payment Date that:

(i) is eligible for repurchase transactions with the Reserve Bank of Australia; and

(ii) was not issued by the Issuer,

provided the aggregate amount of such bills and certificates of deposit held by the CB Guarantor at any time may not exceed 15% of the aggregate Principal Amount Outstanding of the Covered Bonds at that time; and

(c) a bond, note, debenture or other instrument issued or guaranteed by the Commonwealth of Australia or any State or Territory having a remaining maturity date of 30 days or less and maturing on or before the next following CBG Payment Date and which has:

(i) from Moody's either a long term rating of at least A2 or a short term rating of P-1; and

(ii) from Fitch either a long term rating of at least AA- or a short term rating of F1+,

in each case, which are "authorised investments" within the meaning of section 289 of the Duties Act 2001 (Qld).

"**Available Income Amount**" means, in respect of a Determination Date and the immediately following CBG Payment Date, the amount equal to the aggregate of (without double counting):

(a) all Income Collections received by or on behalf of the CB Guarantor during the immediately preceding Calculation Period;

(b) all amounts received (or to be received) by the CB Guarantor under the Interest Rate Swap Agreements during the period from (but excluding) the immediately preceding CBG Payment Date to (and including) that CBG Payment Date (excluding any termination payment to be used by the CB Guarantor in accordance with clause 7.10 ("Swap Termination Payments and Premiums") of the Participation Deed to acquire a replacement Interest Rate Swap);

(c) all amounts (if any) received (or to be received) by the CB Guarantor under the Covered Bond Swap Agreements (other than in respect of principal and any Swap Collateral Excluded Amounts and any termination payments) which are to be applied on that CBG Payment Date in accordance with clause 7.7(b) ("Pre-Acceleration application of swap payments (income)" of the Participation Deed;

(d) the amount (if any) to be withdrawn from the Reserve Fund Ledger in respect of that Determination Date in accordance with clause 8.3 ("Application of Reserve Fund Ledger Balance") of the Participation Deed;

(e) the amount (if any) retained in the GI Account on the immediately preceding CBG Payment Date following service on the CB Guarantor of an Asset Coverage Test Breach Notice in accordance with clause 7.4(b) ("Distribution of Available Income Amount following service on the CB Guarantor of an Asset Coverage Test Breach Notice") of the Participation Deed;

(f) the amount of any Interest Rate Shortfall Demand Loan Advance to be applied on that CBG Payment Date in accordance with clause 4.4 ("Interest Rate Shortfall Demand Loan Advance") of the Demand Loan Agreement;

(g) the Loan Offset Amount (if any) in respect of the immediately preceding Calculation Period received (or to be received) by the CB Guarantor from the Seller in accordance with clause 6.6 ("Loan Offset Amount") of the Mortgage Sale Deed;

(h) all other miscellaneous income and other amounts (determined by the Trust Manager to be in the nature of income or interest) in respect of the Trust Assets received by or on behalf of the CB Guarantor during the immediately preceding Calculation Period including:

(i) all interest on the CBG Accounts (other than the Swap Collateral Accounts, but including Swap Collateral Available Amounts);

(ii) all interest and income amounts received in respect of Substitution Assets and Authorised Investments;

(iii) the proceeds from any sale of Loans, Substitution Assets or Authorised Investments, to the extent that such proceeds represent income or interest; and

(iv) amounts received from any party to a Transaction Document in respect of damages or compensation for any breach by it of any of its obligations or any representation or warranty, to the extent that such amounts represent income or interest,

but excluding:

(i) any Third Party Amounts;

(j) any Swap Collateral Excluded Amounts; and

(k) any amounts in respect of interest received by the CB Guarantor under each Covered Bond Swap Agreement (except to the extent included under paragraph (c) above.

"**Available Principal Amount**" means, in respect of a Determination Date and the immediately following CBG Payment Date, the amount equal to the aggregate of (without double counting):

(a) all Principal Collections received by or on behalf of the CB Guarantor during the immediately preceding Calculation Period;

(b) all amounts (if any) received (or to be received) by the CB Guarantor under the Covered Bond Swap Agreements (other than any Swap Collateral Excluded Amounts and any termination payments) in respect of principal which are to be applied on that CBG Payment Date in accordance with clause 7.8(b) ("Pre-Acceleration application of swap payments (principal)") or clause 7.9(b) ("Guarantee application of swap payments following a Notice to Pay") (as applicable) of the Participation Deed;

(c) the proceeds (if any) of a Demand Loan Advance which the CB Guarantor (at the direction of the Trust Manager) and the Demand Loan Provider have agreed be applied on that CBG Payment Date as part of the Available Principal Amount in accordance with clause 3.1(i) ("Use of Demand Loan Advances") of the Demand Loan Agreement;

(d) the amount (if any) retained in the GI Account on the immediately preceding CBG Payment Date in accordance with clause 7.5(b) ("Distribution of Available Principal Amount following service on the CB Guarantor of an Asset Coverage Test Breach Notice") of the Participation Deed;

(e) the amount (if any) retained in the GI Account on the immediately preceding CBG Payment Date in accordance with clause 7.3(b) ("Pre-Acceleration Principal Priority of Payments") of the Participation Deed;

(f) all other miscellaneous amounts (determined by the Trust Manager to be in the nature of principal) in respect of the Trust Assets received by or on behalf of the CB Guarantor during the immediately preceding Calculation Period including:

(i) all amounts received from the Seller in accordance with clause 3.9(b) ("Adjustments") of the Mortgage Sale Deed;

(ii) all Excess Proceeds received from the Bond Trustee in accordance with clause 11.2 ("Excess Proceeds") of the Bond Trust Deed;

(iii) all principal amounts received in respect of Substitution Assets and Authorised Investments;

(iv) the proceeds from any sale of Loans, Substitution Assets or Authorised Investments, to the extent that such proceeds represent principal; and

(v) amounts received from any party to a Transaction Document in respect of damages or compensation for any breach by it of any of its obligations or any representation or warranty, to the extent that such amounts represent principal,

but excluding:

(g) any Third Party Amounts;

(h) any Swap Collateral Excluded Amounts; and

(i) amounts in respect of principal received by the CB Guarantor under each Covered Bond Swap Agreement (except to the extent included under paragraph (b) above).

"**Bank Account Agreement**" means the bank account agreement between the CB Guarantor, the Account Bank, the Security Trustee and the Trust Manager dated 11 October 2022, as amended from time to time;

"**Banking Act**" means the Banking Act 1959 (Cth);

"**Banking Code of Practice**" means the voluntary code of conduct entitled "The 2020 Banking Code of Practice" published by the Australian Bankers Association, as amended or replaced from time to time;

"**Basel III**" means the announcement in December 2010 by the Basel Committee on Banking Supervision of a revised global capital adequacy framework, known as Basel III;

"**Basis Swap**" means a swap transaction as evidenced by a confirmation that supplements, forms part of and is subject to, the Interest Rate Swap Agreement which the CB Guarantor and the Interest Rate Swap Provider designate as the Basis Swap for the purposes of that document;

"**BBSW Rate**" means Australian Bank Bill Swap Rate;

"**BCBS**" means the Basel Committee on Banking Supervision;

"**BEAR**" means the Banking Executive Accountability Regime;

"**Bearer Covered Bonds**" means Covered Bonds in bearer form;

"**Bearer Definitive Covered Bond**" means a Bearer Covered Bond in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s), the Agency Agreement and the Bond Trust Deed in exchange for either a Temporary Global Covered Bond or part thereof or a Permanent Global Covered Bond (all as indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), such Bearer Covered Bond in definitive form being substantially in the form set out in Part 3 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) and having the relevant Terms and Conditions endorsed thereon or, if permitted by the relevant Stock Exchange, incorporating the relevant Terms and Conditions by reference as indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement and having the relevant information supplementing, replacing or modifying the Terms and Conditions appearing in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement endorsed thereon or attached thereto and having Coupons and, where appropriate, Talons attached thereto on issue;

"**Bearer Global Covered Bonds**" means Global Covered Bonds in bearer form, comprising Temporary Global Covered Bonds and Permanent Global Covered Bonds, substantially in the forms set out in Parts 1 and 2, respectively, of schedule 2 to the Bond Trust Deed;

"**Bond Trust Deed**" means the deed dated 11 October 2022 as amended and restated on or about 5 June 2023 between the Issuer, the CB Guarantor and the Bond Trustee (as the same may be further amended and/or supplemented and/or restated from time to time) and includes any trust deed or other document executed by the Issuer, the CB Guarantor and the Bond Trustee in accordance with the provisions of the Bond Trust Deed and expressed to be supplemental to the Bond Trust Deed;

"**Bond Trustee**" means DB Trustees (Hong Kong) Limited in its capacity as bond trustee under the Bond Trust Deed together with any successor or additional bond trustee appointed from time to time thereunder;

"**Borrower**" means, in relation to a Loan, each person specified as such in the relevant Loan Terms together with each person (if any) from time to time assuming an obligation to repay such Loan or any part of it;

"**Broken Amount**" has the meaning given to it in the Terms and Conditions;

"**Business Day**" has the meaning given to it in the Terms and Conditions;

"**Business Day Convention**" has the meaning given to it in Condition 4 ("Interest");

"**Calculation Agent**" has the meaning given to it in the Terms and Conditions;

"**Calculation Period**" means the period from (and including) the first day of a calendar month to (and including) the last day of that calendar month, provided that the first Calculation Period shall commence on (and include) the first Assignment Date and end on (and include) the last day of the calendar month in which the first Assignment Date occurs;

"**Call**" or "**Call Option**" means the call option specified in the relevant Final Terms or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement in respect of the applicable Series of Covered Bonds;

"**Capital Balance**" means for Loan at any date the principal balance of that Loan to which the Servicer applies the relevant interest rate at which interest on that Loan accrues;

"**CB Guarantor**" means Perpetual Corporate Trust Limited (ABN 99 000 341 533) in its capacity as trustee of the Trust;

"**CBG Acceleration Notice**" means a notice in writing given by the Bond Trustee to the Issuer, the CB Guarantor and the Security Trustee that each Covered Bond of each Series is, and each Covered Bond of each Series shall, as against the Issuer (if not already due and repayable against it following an Issuer Acceleration Notice) and as against the CB Guarantor, thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest, and all amounts payable by the CB Guarantor under the Covered Bond Guarantee shall thereupon immediately become due and payable subject to and in accordance with the Bond Trust Deed, and thereafter the Charge shall become enforceable;

"**CBG Account Agreements**" means the Bank Account Agreement and any other agreement entered into by the CB Guarantor (as trustee of the Trust) in relation to the opening and operation of a CBG Account;

"**CBG Accounts**" means the GI Account and any additional or replacement accounts opened in the name of the CB Guarantor, including each Swap Collateral Account;

"**CBG Event of Default**" has the meaning given to it in the Terms and Conditions;

"**CBG Payment Date**" means the 12th day of each calendar month, subject to the Transaction Document Business Day Convention, provided that the first CBG Payment Date shall be in the calendar month immediately following the calendar month in which the first Assignment Date occurs;

"**CBG Payment Period**" means the period from (and including) a CBG Payment Date to (but excluding) the immediately following CBG Payment Date;

"**CCI**" means consumer credit insurance;

"**CDR Rules**" means the Competition and Consumer (Consumer Data Right) Rules 2020 (Australia);

"CHF", **"SFr"**, **"FS"** and **"Fr"** mean Swiss francs;

"**Clearing Systems**" means the Austraclear System, Euroclear and/or Clearstream;

"**Clearstream**" means Clearstream Banking, S.A.;

"**COBS**" has the meaning given on page 97;

"**Collateral**" means all Trust Assets which the CB Guarantor acquires or to which the CB Guarantor becomes entitled on or after the date of the Security Trust Deed;

"**Collections**" means all amounts received by the CB Guarantor, or on behalf of the CB Guarantor (including by the Seller or the Servicer), in respect of the Loans and their Related Securities including, without limitation:

(a) all principal, interest and fees;

(b) the proceeds of any sale or other disposal of any Loans;

(c) any proceeds recovered from any enforcement action in respect of any Loans;

(d) any proceeds received under any Mortgage Insurance Policy,

but excludes all Third Party Amounts.

"**Common Code**" means the nine-digit identification code issued jointly by CEDEL and Euroclear;

"**Common Depositary**" means the common depositary for Euroclear and Clearstream, the initial common depositary being The Bank of New York Mellon, acting through its London Branch, in its capacity as the common depositary for Euroclear and Clearstream;

"**Common Safekeeper**" means Clearstream or any entity so determined pursuant to clause 2.7 ("Common Safekeeper") of the Offshore Agency Agreement;

"**Common Terms Deed**" means the common terms deed dated 11 October 2022 as amended and restated on or about 5 June 2023 between the Issuer, the CB Guarantor, the Trust Manager and others (as the same may be further amended and/or supplemented and/or restated from time to time);

"**Compelled Rules**" has the meaning given on page 84;

"**Compounded Daily SOFR**" has the meaning given to it in Condition 4 ("Interest");

"**Compounded Daily SONIA**" has the meaning given to it in Condition 4 ("Interest");

"**Compounded Index SOFR**" has the meaning given to it in Condition 4 ("Interest");

"**Compounded Index SONIA**" has the meaning given to it in Condition 4 ("Interest");

"**Consumer Credit Legislation**" means "credit legislation" as defined in the NCCP including the National Credit Code (Australia);

"**Contingent Covered Bond Swap**" means a Covered Bond Swap under which no party has any payment obligations until on or after the date upon which a Notice to Pay is served on the CB Guarantor.

"**contributors**" has the meaning given on page 84;

"**Controller**" has the meaning given in the Corporations Act;

"**Corporations Act**" means the Corporations Act 2001 (Australia);

"**Costs**" means any loss, damage, cost, charge, claim, demand, expense, judgment, decree, action, proceeding or other liability whatsoever, including, without limitation, in respect of:

(a) Taxes (other than an Excluded Tax);

(b) in the case of the Bond Trustee and the Agents only, any amounts in respect of GST, VAT or other similar Tax;

(c) in the case of all parties other than the Bond Trustee and the Agents, any amounts in respect of GST, VAT or other similar Tax to the extent not recoverable from a government, Tax, revenue or other similar authority; and

(d) legal fees and expenses on a full indemnity basis;

"**Coupon**" has the meaning given to it in the Terms and Conditions;

"**Couponholders**" means the holders of the Coupons (which expression shall, unless the context otherwise requires, include the holders of the Talons);

"**Covered Bond**" means each covered bond issued or to be issued by the Issuer pursuant to the Programme Agreement and which is or is to be constituted under the Bond Trust Deed and which may be represented by a Global Covered Bond or any Definitive Covered Bond and includes any replacements for a Covered Bond issued pursuant to the Terms and Conditions;

"**Covered Bond Guarantee**" means the unconditional and irrevocable guarantee by the CB Guarantor in the Bond Trust Deed for the payment (following service of a Notice to Pay or a CBG Acceleration Notice) of Guaranteed Amounts in respect of the Covered Bonds when the same shall become Due for Payment;

"**Covered Bond Swap Agreement**" means each agreement between the CB Guarantor, a Covered Bond Swap Provider and the Trust Manager in respect of a Series or Tranche, as applicable, of Covered Bonds which provides a hedge against certain interest rate, currency and/or other risks in respect of amounts received by the CB Guarantor under the Loans and any relevant Interest Rate Swap and amounts payable by the CB Guarantor under the Covered Bond Guarantee in respect of Covered Bonds (after service of a Notice to Pay) in the form of an ISDA Master Agreement, including a schedule, one or more confirmations and a credit support annex (as the same may be amended, restated, supplemented, replaced or novated from time to time);

"**Covered Bond Swap Early Termination Event**" means a Termination Event or Event of Default (each as defined in the relevant Covered Bond Swap Agreement), excluding a Swap Provider Downgrade Event, pursuant to which the Non-defaulting Party or the party that is not the Affected Party (each as defined in the relevant Covered Bond Swap Agreement), as applicable, may terminate the Covered Bond Swap Agreement;

"**Covered Bond Swap Provider**" means each provider of a Covered Bond Swap under a Covered Bond Swap Agreement;

"**Covered Bond Swap Rate**" means, in relation to a Series of Covered Bonds, the exchange rate specified in the Covered Bond Swap relating to such Covered Bonds or, if the relevant Covered Bond Swap Agreement has terminated and has not been replaced, the applicable spot rate;

"**Covered Bond Swap**" means an interest rate and/or currency swap transaction entered into in connection with a Series or Tranche of Covered Bonds under the terms of a Covered Bond Swap Agreement (excluding, for the avoidance of doubt, any Interest Rate Swap);

"**Covered Bondholders**" means the several persons who are for the time being holders of outstanding Covered Bonds (being, in the case of Bearer Covered Bonds, the bearers thereof and, in the case of Registered Covered Bonds, the several persons whose names are entered in the register of holders of the Registered Covered Bonds as the holders thereof) save that, in respect of the Covered Bonds of any Series, for so long as such Covered Bonds or any part thereof are represented by a Bearer Global Covered Bond deposited with a common depositary for Euroclear and Clearstream, or, as the case may be, the common safekeeper, or so long as Austraclear, Euroclear, Clearstream, or its nominee is the registered holder of a Registered Global Covered Bond, each person who is for the time being shown in the records of Austraclear, Euroclear or Clearstream (other than Clearstream, if Clearstream shall be an accountholder of Euroclear and Euroclear, if Euroclear shall be an accountholder of Clearstream) as the holder of a particular principal amount of the Covered Bonds of such Series shall be deemed to be the holder of such principal amount of such Covered Bonds (and the holder of the relevant Global Covered Bond shall be deemed not to be the holder) for all purposes of the trust presents other than with respect to the payment of principal or interest on such principal amount of such Covered Bonds and voting, giving consents and making requests pursuant to the trust presents, the rights to which shall be vested, as against the Issuer, the CB Guarantor and the Bond Trustee, solely in such common depositary and for which purpose such common depositary shall be deemed to be the holder of such principal amount of such Covered Bonds in accordance with and subject to its terms and the provisions of the trust presents and the expressions "**Covered Bondholder**", "**Holder**" and "**holder of Covered Bonds**" and related expressions shall be construed accordingly;

"**Credit Activity**" has the meaning given to that term in the NCC;

"**Credit Legislation**" has the meaning given to that term in the NCCP;

"**Credit Provider**" has the meaning given to that term in the NCCP;

"**Custodian**" means any custodian with whom the relevant Registered Global Covered Bonds have been deposited;

"**Customer Files**" means the file or files (in electronic form or otherwise) that contains all material information in relation to each Loan and its Related Security, including, amongst other things, the mortgage documentation applicable to the Loan;

"**Current Covered Bond Swap**" means a Covered Bond Swap that is not a Contingent Covered Bond Swap.

"**Cut-Off Date**" means:

(a) in relation to the purchase of any Loans and their Related Security in accordance with a Sale Notice, the date specified as such in the Sale Notice;

(b) in relation to the repurchase of any Loans and their Related Security in accordance with a Loan Repurchase Notice, the date specified as such in the Loan Repurchase Notice;

(c) in relation to the repurchase of any Loans and their Related Security in accordance with a Selected Loan Offer Notice, the date specified as such in the relevant Selected Loan Offer Notice; and

(d) in relation to the repurchase of any Loans and their Related Security in accordance with clause 8.2 ("Product Switch or Further Advance") or clause 8.3 ("Repurchase following Repurchase Event") of the Mortgage Sale Deed, the date on which the Seller repurchases the relevant Loans and their Related Security from the CB Guarantor;

"**Day Count Fraction**" has the meaning given to it in Condition 4 ("Interest");

"**Dealers**" means each financial institution named as such in the Programme Agreement and any other dealers appointed from time to time in accordance with the Programme Agreement which appointment may be for a specific issue or on an ongoing basis. References to the "**relevant Dealer(s)**" shall, 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;

"**Deemed Ratings**" has the meaning given on page 245;

"**Defaulted Loan**" means any Loan which is more than 90 days in Arrears;

"**Definitive Covered Bond**" means a Bearer Definitive Covered Bond and/or a Registered Definitive Covered Bond, as the context may require;

"**Definitive Regulation S Covered Bond**" means a Registered Covered Bond in definitive form sold to non-U.S. persons outside the United States in reliance on Regulation S;

"**Delinquent Loan**" means any Loan which is more than 30 days in Arrears;

"**Demand Loan**" means the aggregate of all Demand Loan Advances;

"**Demand Loan Advance**" means each principal amount advanced, or to be advanced, by the Demand Loan Provider to the CB Guarantor under the Demand Loan Agreement;

"**Demand Loan Advance Request**" means a request for a Demand Loan Advance substantially in the form of schedule 1 ("Demand Loan Advance Request") to the Demand Loan Agreement;

"**Demand Loan Agreement**" means the demand loan agreement dated 11 October 2022 between the Demand Loan Provider, the CB Guarantor and others, as amended from time to time;

"**Demand Loan Drawdown Date**" means, in respect of any Demand Loan Advance, the date on which that Demand Loan Advance is, or is to be, made by the Demand Loan Provider to the CB Guarantor as specified in the Demand Loan Advance Request relating to that Demand Loan Advance;

"**Demand Loan Facility**" has the meaning given to it in clause 1.2 ("Other Defined Terms") of the Demand Loan Agreement;

"**Demand Loan Facility Limit**" means such amount as the Demand Laon Provider and the CB Guarantor (at the direction of the Trust Manager) agree from time to time;

"**Demand Loan Interest Period**" means, in respect of a Demand Loan Advance, the period determined in accordance with clause 7.2 ("Demand Loan Interest Periods") of the Demand Loan Agreement;

"**Demand Loan Provider**" means Bendigo and Adelaide Bank Limited (ABN 11 068 049 178);

"**Demand Loan Repayment Assets**" means the Loans and Related Securities specified in a Demand Loan Repayment Notice;

"**Demand Loan Repayment Notice**" means a notice substantially in the form set out in schedule 2 ("Demand Loan Repayment Notice") to the Demand Loan Agreement;

"**Designated Maturity**" has the meaning given to it in the ISDA Definitions;

"**Determination Date**" means the 5th AU Business Day following the end of each Calculation Period;

"**Direct Participants**" means accountholders in Euroclear or Clearstream;

"**Directors**" means the directors for the time being of the Issuer or the CB Guarantor (as the case may be);

"**Distribution Compliance Period**" means the period that ends 40 days after the later of the commencement of the offering and the Issue Date;

"**Due for Payment**" means the requirement of the CB Guarantor to pay any Guaranteed Amount:

(a) following service of a Notice to Pay but prior to service of a CBG Acceleration Notice:

(i) (except where paragraph (ii) below applies) the date on which the Scheduled Payment Date in respect of such Guaranteed Amounts occurs or, if later, the day which is two Business Days following the date of service of a Notice to Pay on the CB Guarantor in respect of such Guaranteed Amounts and the Scheduled Payment Date falling on the Final Maturity Date of such Series of Covered Bonds as if such date had been the Extended Due for Payment Date (the "**Original Due for Payment Date**"); or

(ii) in relation to any Guaranteed Amount in respect of the Final Redemption Amount payable on the Final Maturity Date of a Series of Covered Bonds for which an Extended Due for Payment Date is specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement, on the Extended Due for Payment Date, but only to the extent that the CB Guarantor, having received the Notice to Pay, no later than the date falling one Business Day prior to the Extension Determination Date, does not have sufficient monies under the Guarantee Priority of Payments to pay the Guaranteed Amounts corresponding to the Final Redemption Amount in full in respect of such Series of Covered Bonds on the date falling on the earlier of (A) the date which falls two Business Days after service of the Notice to Pay on the CB Guarantor or, if later, the Final Maturity Date (in each case after the expiry of the grace period set out in Condition 9(a)(i)), and (B) the Extension Determination Date.

For the avoidance of doubt, the term 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 service of a CBG Acceleration Notice, on the date on which the CBG Acceleration Notice is served on the Issuer and the CB Guarantor;

"**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 GI Account) that has or have the earliest Final Maturity Date as specified in the applicable Pricing Supplement or Final Terms (ignoring any acceleration of amounts due under the Covered Bonds prior to service of a CBG Acceleration Notice);

"**Early Redemption Amount**" has the meaning given to it in the Terms and Conditions;

"**Early Repayment Fee**" means any fee which a Borrower is required to pay in the event that the Borrower's Loan becomes repayable for default or for any other mandatory reason or the Borrower repays all or any part of the relevant Loan before a specified date;

"**EEA**" has the meaning given on page xii;

"**EEA States**" or "**European Economic Area**" means all countries comprising the European Union together with Iceland, Liechtenstein and Norway;

"**Eligibility Criteria**" means the criteria set forth in schedule 2 (Eligibility Criteria) of the Mortgage Sale Deed;

"**Eligible Asset Monitor**" means an asset monitor that:

(a) is an accountancy firm of international standing or of national standing in Australia that is registered as an auditor under Part 9.2 of the Corporations Act; or

(b) holds an Australian financial services licence under the Corporations Act that covers the provision of cover pool monitor services as described in the Banking Act; or

(c) is exempt under the Corporations Act from holding an Australian financial services licence in respect of the provision of cover pool monitor services as described in the Banking Act,

other than, in each case, the Issuer or an associated entity (within the meaning of the Corporations Act) of the Issuer;

"**Eligible Bank**" means an authorised deposit-taking institution (as defined in the Banking Act) which has:

(a) a short term rating of at least P-1 from Moody's; and

(b) either:

(i) a short term rating of at least F1 from Fitch; or

(ii) a long term rating of at least A- from Fitch,

or such lower ratings that will not result in an Adverse Rating Effect;

"**Encumbrance**" means any:

(a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement;

(b) security interest as defined in section 12(1) or section 12(2) of the PPSA;

(c) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off;

(d) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or

(e) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist;

"**Equity Linked Interest Covered Bonds**" means Covered Bonds in respect of which payments of interest will be calculated by reference to the price, value, performance or some other factor relating to one or more reference assets, as set out in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**ERISA**" has the meaning given on page 295;

"**EU**" means the European Union;

"**EU Benchmarks Regulation**" has the meaning given on page xiii;

"**EU CRA Regulation**" means Regulation (EU) No. 1060/2009 (as amended);

"**EU PRIIPs Regulation**" has the meaning given on page xii;

"**EU Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended);

"**EURIBOR**" means the Euro-zone inter-bank offered rate;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Euro-zone**" means the region comprised of Member States that adopt the Euro;

"**EUWA**" has the meaning given to it on page iii;

"**Excess Proceeds**" means moneys received (following the occurrence of an Issuer Event of Default and the delivery of an Issuer Acceleration Notice) by the Bond Trustee from the Issuer or any administrator, voluntary administrator, liquidator, statutory manager or other similar officer appointed in relation to the Issuer;

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended;

"**Exchange Date**" means the date on or after the date which is 40 days after a Temporary Global Covered Bond is issued;

"**Exchange Event**" has the meaning given to it in the Bond Trust Deed;

"**Excluded Scheduled Interest Amounts**" means any additional amounts relating to premiums, default interest or interest upon interest payable by the Issuer in respect of the Covered Bonds in accordance with the Terms and Conditions following the occurrence of an Issuer Event of Default, or, as applicable, a CBG Event of Default;

"**Excluded Scheduled Principal Amounts**" means any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums or default interest payable by the Issuer in respect of the Covered Bonds in accordance with the Terms and Conditions following the occurrence of an Issuer Event of Default, or, as applicable, a CBG Event of Default;

"**Excluded Swap Termination Amount**" means, in relation to a Swap Agreement, an amount equal to the amount of any termination payment due and payable under that Swap Agreement:

(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;

"**Excluded Tax**" means any FATCA Withholding and any of the following Taxes:

(a) any Taxes imposed by any jurisdiction on the net income or profits of a person but not any Tax calculated on or by reference to the gross amount of any payment (without allowance for any deduction) derived by the person under any Transaction Document or any other document referred to in any Transaction Document;

(b) amounts imposed or required to be withheld in respect of any payment to a person by reason of the person being either;

(i) a resident of Australia who participates in the transaction at or through a permanent establishment outside Australia; or

(i) a non-resident of Australia who does not participate in the transaction at or through a permanent establishment in Australia;

(c) amounts which would not be required to be deducted by the payor in respect of an amount paid to, or to a third party on behalf of, a person, if that person had supplied an appropriate Australian business number (ABN), Australian TFN or details of an applicable exemption from these requirements; or

(d) in a case where the payor receives a notice or direction under section 260-5 of Schedule 1 to the Taxation Administration Act 1953, section 255 of the Tax Act or any analogous provisions, any amounts paid or deducted from sums payable to the relevant person by the payor in compliance with such notice or direction;

"**Execution Date**" means the date on or before the first Issue Date on which the Bond Trust Deed and the Offshore Agency Agreement are executed by each of the respective parties thereto;

"**Extendable Covered Bonds**" means those Covered Bonds that have an Extended Due for Payment Date specified in relation to them in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**Extended Due for Payment Date**" has the meaning given to it in the Terms and Conditions;

"**Extension Determination Date**" has the meaning given to it in the Terms and Conditions;

"**Extraordinary Resolution**" means a resolution passed at a meeting of Secured Creditors of a Series by at least 75% of the votes cast;

"**FATCA**" means:

(a) sections 1471 to 1474 of the United States Internal Revenue Code of 1986, as amended, including any regulations or official interpretations issued;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Withholding**" means any withholding or deduction made under or in connection with, or in order to ensure compliance with FATCA;

"**FCA**" means the UK Financial Conduct Authority (and prior to 1 April 2013, the "FSA"), or any successor authority;

"**FIEA**" has the meaning given on page 299;

"**Final Maturity Date**" has the meaning given to it in the Terms and Conditions;

"**Final Redemption Amount**" has the meaning given to it in Condition 7 ("Redemption and Purchase");

"**Final Terms**" means the final terms issued in relation to each Tranche of Covered Bonds (substantially in the form of Schedule 5 to the Bond Trust Deed) and giving details of that Tranche and which has been confirmed by the Issuer in writing;

"**Fitch**" means Fitch Australia Pty Limited or any of its affiliates;

"**Fixed Coupon Amount**" has the meaning given to it in the Terms and Conditions;

"**Fixed Rate Covered Bonds**" means Covered Bonds paying a fixed rate of interest on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s);

"**Fixed Rate Loans**" means those Loans where the interest rate payable by the Borrower does not vary and is fixed for a certain period of time by the Seller;

"**Fixed Rate Swap**" means a swap transaction as evidenced by a confirmation that supplements, forms part of and is subject to, the Interest Rate Swap Agreement which the CB Guarantor and the Interest Rate Swap Provider designate as the Fixed Rate Swap for the purposes of that document;

"**Floating Rate**" has the meaning given to it in the ISDA Definitions;

"**Floating Rate Convention**" has the meaning given to it in Condition 4 ("Interest");

"**Floating Rate Covered Bonds**" means Covered Bonds which bear interest at a rate determined:

(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or

(b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(c) on such other basis 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;

"**Floating Rate Option**" has the meaning given to it in the ISDA Definitions;

"**Following Business Day Convention**" has the meaning given to it in Condition 4 ("Interest");

"**Form of Transfer**" means the form of transfer endorsed on a Registered Definitive Covered Bond substantially in the form set out in Part 7 (*Form of Registered Definitive Covered Bond*) of schedule 2 (*Form of Global and Definitive Covered Bonds, Coupons and Talons*) to the Bond Trust Deed;

"**FSMA**" means the Financial Services and Markets Act 2000 (UK), as amended;

"**Further Advance**" means, in respect of a Loan, any further principal amount advanced by the Seller in respect of that Loan after the Initial Advance for that Loan (including any redraw);

"**GI Account**" means the account in the name of the CB Guarantor held with the Account Bank and maintained subject to the terms of the Bank Account Agreement, or any such additional or replacement account in the name of the CB Guarantor which is designated by the Trust Manager as being the "GI Account";

"**GIA Balance**" means, on any day, the amount standing to the credit of the GI Account as at the opening of business on such day;

"**GIA Rate**" means the rate of interest (calculated as a percentage rate per annum) accruing on the GIA Balance being, on any day, not less than the greater of:

(a) the overnight interbank cash rate as published by the Reserve Bank of Australia for the relevant day less 0.25%; and

(b) zero percent.;

"**Global Covered Bond**" means a Bearer Global Covered Bond and/or a Registered Global Covered Bond, as the context may require;

"**Government Agency**" means:

(a) any body politic or government in any jurisdiction, whether federal, state, territorial or local;

(b) any minister, department, office, commission, instrumentality, agency, board, authority or organisation of any government or in which any government is interested;

(c) any corporation owned or controlled by any government;

(d) any court, judicial entity or authority; and

(e) any self-regulating organisation established under statute or any stock exchange;

"**Group**" means the Issuer and each of its Related Bodies Corporate;

"**GST**" has the meaning given to it in section 195-1 of the GST Act;

"**GST Act**" means the A New Tax System (Goods and Services Tax) Act 1999 (Cth);

"**Guarantee**" means the Covered Bond Guarantee;

"**Guarantee Priority of Payments**" has the meaning given to it on page 273;

"**Guaranteed Amounts**" means:

(a) prior to the service of a CBG Acceleration Notice, with respect to any Original Due for Payment Date or, 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 any Extended Due for Payment Date; or

(b) after service of a CBG Acceleration Notice, an amount equal to the relevant Early Redemption Amount as specified in the Terms and Conditions plus all accrued and unpaid interest and all other amounts due and payable in respect of the Covered Bonds (other than, in each case, additional amounts payable under Condition 8 (*Taxation*)), including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever the same arose) and all amounts otherwise payable by the CB Guarantor under the Bond Trust Deed;

"**ICMA**" means The International Capital Markets Association;

"**in Arrears**" or "**in arrears**" means, in respect of a Mortgage Account or a Loan (as the case may be), the relevant Borrower fails to pay any amount in respect of that Mortgage Account or such Loan (as the case may be) on the day it was due. Delayed payments arising from payment holidays based on early repayments by the Borrower in accordance with the terms of the Mortgage Account or a Loan (as the case may be) or from maternity or paternity leave repayment reductions which are granted by the Seller or the Servicer will not constitute a failure to pay amounts when due for the purposes of this definition;

"**IFTI**" means an international funds transfer instruction;

"**Inappropriate Person**" has the meaning given to it in the NCC;

"**Income Collections**" means all Collections which are in the nature of interest or income (as reasonably determined by the Servicer).

"**Indexed Valuation**" at any date in relation to a Property means:

(a) where the Valuation of that Property is equal to or greater than the Reference Indexed Valuation as at that date, the Reference Indexed Valuation; or

(b) where the Valuation of that Property is less than the Reference Indexed Valuation as at that date, the Valuation plus 85% of the difference between the Valuation and the Reference Indexed Valuation;

"**Indirect Participants**" means accountholders in Euroclear and/or Clearstream that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly;

"**In Kind Distribution**" means a transfer of Loans and Related Securities to the Demand Loan Provider in accordance with the Demand Loan Agreement in satisfaction of amounts owing by the CB Guarantor to the Demand Loan Provider in respect of the Demand Loan;

"**Initial Advance**" means, in respect of a Loan, the original principal amount advanced by the Seller in respect of that Loan;

"**Insolvency Event**" means in respect of a person:

(a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);

(b) it is in liquidation, in provisional liquidation, under administration or is wound up;

(c) it has had a Controller appointed to all or a substantial part of its property and such appointment is not revoked within 30 days;

(d) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved or it ceases to carry on all or substantially all of its business (in each case, other than to carry out a reconstruction or amalgamation while solvent, and in the case of the CB Guarantor, on terms approved by the Security Trustee);

(e) an application (other than a frivolous or vexatious application) or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b), (c) or (d) above;

(f) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;

(g) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which the Security Trustee reasonably deduces it is so subject);

(h) it is otherwise unable to pay its debts when they fall due; or

(i) something having a substantially similar effect to (a) to (h) happens in connection with that person under the law of any jurisdiction;

"**Intercompany Loan**" means the aggregate of all Intercompany Loan Advances;

"**Intercompany Loan Advance**" means each principal amount advanced, or to be advanced, by the Intercompany Loan Provider to the CB Guarantor under the Intercompany Loan Agreement;

"**Intercompany Loan Advance Offer**" means an offer for an Intercompany Loan Advance substantially in the form of schedule 1 ("Intercompany Loan Advance Offer") to the Intercompany Loan Agreement;

"**Intercompany Loan Advance Request**" means a request for an Intercompany Loan Advance substantially in the form of schedule 2 ("Intercompany Loan Advance Request") to the Intercompany Loan Agreement;

"**Intercompany Loan Agreement**" means the loan agreement dated 11 October 2022 between the Intercompany Loan Provider, the CB Guarantor and others, as amended from time to time;

"**Intercompany Loan Drawdown Date**" means, in respect of any Intercompany Loan Advance, the date on which that Intercompany Loan Advance is, or is to be, made by the Intercompany Loan Provider to the CB Guarantor as specified in the Intercompany Loan Advance Request relating to that Intercompany Loan Advance;

"**Intercompany Loan Facility**" has the meaning given to it in clause 1.2 ("Other Defined Terms") of the Intercompany Loan Agreement;

"**Intercompany Loan Facility Limit**" means such amount as the Issuer and the CB Guarantor (at the direction of the Trust Manager) agree from time to time;

"**Intercompany Loan Interest Payment Date**" means, in respect of an Intercompany Loan Advance, each date on which interest is payable on the relevant Tranche of Covered Bonds to which the Intercompany Loan Advance relates, unless otherwise specified in the Intercompany Loan Advance Offer in respect of that Intercompany Loan Advance;

"**Intercompany Loan Interest Period**" means a period determined in accordance with clause 6.2 ("Intercompany Loan Interest Periods") of the Intercompany Loan Agreement;

"**Intercompany Loan Provider**" means Bendigo and Adelaide Bank Limited (ABN 11 068 049 178);

"**Interest Amount**" has the meaning given to it in the Terms and Conditions;

"**Interest Basis**" means the amount and type of interest payable on the Covered Bonds as specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**Interest Commencement Date**" has the meaning given to it in the Terms and Conditions;

"**Interest Determination Date**" has the meaning given to it in the Terms and Conditions;

"**Interest Payment Date**" has the meaning given to it in the Terms and Conditions;

"**Interest Period**" has the meaning given to it in the Terms and Conditions;

"**Interest Period End Date**" has the meaning given to it in the Terms and Conditions;

"**Interest Rate Shortfall**" has the meaning given on page 240;

"**Interest Rate Shortfall Test**" has the meaning given on page 240;

"**Interest Rate Shortfall Demand Loan Advance**" has the meaning given on page 311;

"**Interest Rate Swap**" means any Basis Swap or Fixed Rate Swap;

"**Interest Rate Swap Agreement**" means the agreement between the CB Guarantor, the Interest Rate Swap Provider and the Trust Manager dated 11 October 2022 (as amended from time to time) and in the form of an ISDA master agreement (as published by ISDA) including the schedule, each credit support annex and each confirmation that forms part of that agreement;

"**Interest Rate Swap Provider**" means Bendigo and Adelaide Bank Limited in its capacity as interest rate swap provider under the Interest Rate Swap Agreement together with any successor or replacement interest rate swap provider;

"**Internal Revenue Code**" or "**Code**" means the U.S. Internal Revenue Code of 1986, as amended;

"**International Financial Reporting Standards**" means the International Financial Reporting Standards issued by the International Accounting Standards Board, together with International Accounting Standards 1-41, Standing Interpretations Committee Interpretations 7-32 and all Interpretations issued by the International Financial Reporting Interpretations Committee;

"**Investment Company Act**" means the U.S. Investment Company Act of 1940, as amended;

"**Investments Ledger**" means the ledger of the same name maintained by the Trust Manager pursuant to the Trust Management Deed in respect of Authorised Investments and Substitution Assets acquired and disposed of by or on behalf of the CB Guarantor;

"**Investor's Currency**" has the meaning given on page 83;

"**Investor Report**" means the monthly report to be prepared and made available by the Trust Manager pursuant to clause 3.10(b) ("Reports") of the Trust Management Deed setting out, *inter alia*:

(a) the balance outstanding and ratings on each Series of Covered Bonds issued and outstanding;

(b) summary statistics in respect of the Loans (including total balance, number, weighted average LVR, seasoning);

(c) the Asset Coverage Test or Amortisation Test, as applicable, summary;

(d) tables showing the distribution of the Loans (e.g. product type, interest rate, term to maturity, geographic diversity etc.); and

(e) the Reference Index referred to for purposes of the definition of Reference Indexed Valuation,

and otherwise in such form as the Issuer and the Trust Manager may determine is appropriate, as notified to the Rating Agencies and the CB Guarantor;

"**IRS**" means the U.S. Internal Revenue Service;

"**ISDA**" means the International Swaps and Derivatives Association, Inc.;

"**ISDA Definitions**" has the meaning given to it in the Terms and Conditions;

"**ISDA Determination**" has the meaning given to it in Condition 4 ("Interest");

"**ISDA Rate**" has the meaning given to it in Condition 4 ("Interest");

"**ISIN**" means the International Securities Identification Number;

"**Issue Date**" has the meaning given to it in the Terms and Conditions;

"**Issue Price**" means the price, generally expressed as a percentage of the nominal amount of the Covered Bonds, at which a Series or Tranche of Covered Bonds will be issued;

"**Issuer**" means Bendigo and Adelaide Bank Limited (ABN 11 068 049 178);

"**Issuer Acceleration Notice**" has the meaning given to it in Condition 10 ("Events of Default and Enforcement");

"**Issuer Event of Default**" has the meaning given to it in Condition 10 ("Events of Default and Enforcement");

"**ITA**" means the Income Tax Act 2007 (UK);

"**Law**" includes common or customary law, and any constitution, decree, judgment, legislation, order, ordinance, regulation, statute, treaty or other legislative measure in any jurisdiction and any present or future directive, regulation, guideline, practice, concession, request or requirement whether or not having the force of law issued by any governmental body, agency or department or any central bank or other fiscal, monetary, Taxation, regulatory, self-regulatory or other authority or agency and includes the Banking Act;

"**Lead Manager**" means, in relation to any Tranche or Series of Covered Bonds, (i) the person named as the Lead Manager, or (ii) the persons named as Joint Lead Managers (each a Lead Manager), in each case in the applicable Subscription Agreement;

"**Licensee**" means a holder of an Australian Credit Licence;

"**Linear Interpolation**" has the meaning given to it in Condition 4 ("Interest");

"**Loan**" means, at any time, the right, title and interest of the CB Guarantor in any Mortgage Loan:

(a) which has been acquired by the CB Guarantor in accordance with the Mortgage Sale Deed and which remains a Trust Asset of the Trust at that time; or

(b) which is then immediately to become acquired by the CB Guarantor in accordance with the Mortgage Sale Deed and which, on such acquisition, will become a Trust Asset of the Trust at that time,

as applicable;

"**Loan Offset Amount**" means, in relation to a Calculation Period, the aggregate of all interest which would otherwise have been payable by Borrowers during that Collection Period in respect of the Loans but which is reduced by operation of a Loan Offset Deposit Account

"**Loan Offset Deposit Account**" means any deposit account maintained by a Borrower under or in respect of a Loan with the Seller where an amount equal to the interest which would otherwise accrue on that account is offset against monies owed by the Borrower under the Loan, in accordance with the relevant Loan Terms;

"**Loan Repurchase Notice**" means a notice in substantially the form set out in schedule 4 to the Mortgage Sale Deed;

"**Loan Terms**" means, in respect of a Loan or Related Security, any agreement or other document that evidences the Borrower's payment or repayment obligations or any other terms and conditions of that Loan or Related Security;

"**Loans Register**" means a register of Loans maintained by the Servicer and stored on computer disk or other electronic form and containing the information set out in clause 3.2(c) ("Specific duties") of the Servicing Deed;

"**local time**" has the meaning given to it in clause 1.3 ("Other defined terms") of the Offshore Agency Agreement";

"**London Stock Exchange**" means the London Stock Exchange plc;

"**LTV Adjusted Outstanding Principal Balance**" has the meaning given to it on page 249;

"**LVR**" means, at any time in relation to a Loan and each Mortgage in respect of that Loan, the ratio (expressed as a percentage) of the Outstanding Principal Balance of that Loan (plus the Outstanding Principal Balance of each other Loan which is secured by any such Mortgage) at that time, to the aggregate of the Valuation of each Property the subject of any such Mortgage;

"**Margin**" has the meaning given to it in the Terms and Conditions;

"**Maximum Rate of Interest**" has the meaning given to it in the Terms and Conditions;

"**Maximum Redemption Amount**" has the meaning given to it in the Terms and Conditions;

"**Member State**" means, at any time, a state that has joined the European Union at that time;

"**MiFID II**" has the meaning given on page xii;

"**Minimum Rate of Interest**" has the meaning given to it in in the Terms and Conditions;

"**Minimum Redemption Amount**" has the meaning given to it in the Terms and Conditions;

"**Modified Following Business Day Convention**" has the meaning given to it in Condition 4 ("Interest");

"**Month**" means calendar month;

"**Moody's**" means Moody's Investors Service Pty Limited or any of its affiliates;

"**Mortgage**" means, in relation to a Loan, a registered (or pending registration, registrable) mortgage over Property situated in any State or Territory of Australia which secures, amongst other things, payment of interest and the repayment of principal and all other moneys in respect of the Loan or any guarantee given in respect of the Loan notwithstanding that by its terms the mortgage may secure other liabilities;

"**Mortgage Insurance Policy**" means a policy of insurance under which a Mortgage Insurer insures the CB Guarantor against loss under a Loan;

"**Mortgage Loan**" means each loan, financial obligation or other liability made by, or owed to, the Seller, and comprising the aggregate of all principal sums, interest, costs, charges, expenses and other monies (including all Further Advances and Accrued Interest) due or owing at any time with respect to that loan, financial obligation or other liability by a Borrower on the security of a Mortgage (irrespective of whether that Mortgage has been granted by the Borrower) from time to time outstanding or, as the context may require, the Borrower's obligations in respect of the same;

"**Mortgage Sale Deed**" means the mortgage sale deed dated 11 October 2022 between the CB Guarantor and others, as amended from time to time;

"**National Credit Code**" or "**NCC**" means:

(a) the NCCP;

(b) the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009 (Cth);

(c) the National Consumer Credit Protection (Fees) Act 2009 (Cth);

(d) regulations made under any of them; and

(e) Division 2 of Part 2 of the Australian Securities and Investment Commission Act 2001 (Cth), so far as it relates to obligations in respect of an Australian Credit Licence issued under the NCCP;

"**NCCP**" means the National Consumer Credit Protection Act 2009 of the Commonwealth of Australia;

"**Negative Carry Factor**" has the meaning given to it in clause 3.2 ("Calculation of Adjusted Aggregate Loan Amount") of the Participation Deed;

"**New Company**" has the meaning given to it in clause 22.1 ("Substitution without consent") of the Bond Trust Deed;

"**Non-defaulting Party**" has the meaning given to it in the Interest Rate Swap Agreement and/or the relevant Covered Bond Swap Agreement, as the context may require;

"**non-ERISA arrangement**" has the meaning given on pages 296;

"**notice**" means, in respect of notice to be given to Covered Bondholders, a notice validly given pursuant to the Terms and Conditions;

"**Notice Period**" means the notice period that applies to the relevant Covered Bonds as specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**Notice to Pay**" has the meaning given to it in the Terms and Conditions and is substantially in the form set out in schedule 3 ("Form of Notice to Pay") to the Bond Trust Deed;

"**NSFR**" has the meaning given on page 47;

"**NSW**" means the State of New South Wales, Australia;

"**OCC**" means the Comptroller of the Currency;

"**Official List**" means the official list of the FCA;

"**Offshore Agency Agreement**" means the offshore agency agreement dated on or about 11 October 2022 between the Issuer, the CB Guarantor, the Bond Trustee, the Principal Paying Agent and others, as amended from time to time;

"**Offshore Associate**" has the meaning given on page ix;

"**Offshore Registrar**" means Deutsche Bank AG, Hong Kong Branch;

"**Optional Redemption Amount**" has the meaning given in the Terms and Conditions;

"**Optional Redemption Date**" has the meaning (if any) given in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**Original Due for Payment Date**" has the meaning given to it in paragraph (a) of the definition of "**Due for Payment**";

"**Other Secured Liability**" means, in respect of a Loan and any Related Security in respect of that Loan, any loan, financial obligation or other liability (in each case, which is not a Loan) that is secured (in whole or in part) by that Related Security;

"**outstanding**" and "**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 pursuant to the trust presents or the Terms and Conditions;

(b) those Covered Bonds in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with the Terms and Conditions has occurred and the redemption moneys (including all interest payable thereon) have been duly paid to the Bond Trustee or to the Principal Paying Agent in the manner provided in the Offshore Agency Agreement (and where appropriate notice to that effect has been given to the relative Covered Bondholders in accordance with the Terms and Conditions) 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 the Terms and Conditions;

(d) those Covered Bonds which have become void or in respect of which claims have become prescribed, in each case under the Terms and Conditions;

(e) those mutilated or defaced Covered Bonds which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to the Terms and Conditions;

(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 the Terms and Conditions; and

(g) any Bearer Global Covered Bond to the extent that it shall have been exchanged for Bearer Definitive Covered Bonds or another Bearer Global Covered Bond pursuant to its provisions, the provisions of the trust presents and the Agency Agreement;

PROVIDED THAT for each of the following purposes, namely:

(i) 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 19 of schedule 4 ("Provisions for Meetings of Covered Bondholders") to the Bond Trust Deed;

(ii) the determination of how many and which Covered Bonds of any Series are for the time being outstanding for the purposes of the Bond Trust Deed and the Terms and Conditions;

(iii) any discretion, power or authority (whether contained in the trust presents 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

(iv) 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 the Issuer or any of its Subsidiaries or the CB Guarantor as beneficial owner (unless and until ceasing to be so held);

"**Outstanding Principal Balance**" means, in relation to a Loan at any date, the aggregate at such date (without double counting) of:

(a) the Initial Advance; and

(b) any Further Advances

in each case relating to such Loan, less any prepayment, repayment or payment of the foregoing made prior to such date;

"**Participation Deed**" means the participation deed dated 11 October 2022 as amended and restated on or about 5 June 2023 between the CB Guarantor and others (as the same may be further amended and/or supplemented and/or restated from time to time);

"**Paying Agents**" means the Principal Paying Agent and any other paying agent appointed pursuant to the terms of the Agency Agreement;

"**Person**" means a reference to any person, individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organisation, governmental entity or other entity of similar nature (whether or not having separate legal personality);

"**Post-Enforcement Priority of Payments**" has the meaning given on page 278;

"**Potential CBG Event of Default**" has the meaning given to it in the Terms and Conditions;

"**Potential Issuer Event of Default**" has the meaning given to it in the Terms and Conditions;

"**PPSA**" has the meaning given on page 61;

"**Pre-Acceleration Income Priority of Payments**" has the meaning given to it on page 269;

"**Pre-Acceleration Principal Priority of Payments**" has the meaning given to it on page 271;

"**Pre-Acceleration Priority of Payments**" means the Pre-Acceleration Income Priority of Payments and the Pre-Acceleration Principal Priority of Payments;

"**Preceding Business Day Convention**" has the meaning given to it in Condition 4 ("Interest");

"**Premises**" means the premises on which the Relevant Documents in respect of the Loans are stored by the Servicer, as notified by the Servicer to the CB Guarantor and the Security Trustee from time to time upon request of the CB Guarantor or the Security Trustee (as the case may be);

"**Pricing Supplement**" means the pricing supplement (or other supplement) issued in relation to each Tranche of Exempt Covered Bonds (substantially in the form of Schedule 6 of the Bond Trust Deed) and giving details of that Tranche and which has been confirmed by the Issuer in writing;

"**principal**" has the meaning given on pages 277;

"**Principal Amount Outstanding**" has the meaning given to it in the Terms and Conditions;

"**Principal Paying Agent**" means, in relation to all or any Series of Australian Domestic Covered Bonds, the Australian Registrar, and, in relation to all or any other Series of the Covered Bonds, Deutsche Bank AG, Hong Kong Branch or, in each case if applicable, any successor principal paying agent in relation to all or any Series of the Covered Bonds;

"**Priority of Payments**" means the orders of priority for the allocation and distribution of certain amounts in different circumstances, as provided for in clause 7 ("Application of funds") of the Participation Deed and schedule 1 ("Post-Enforcement Priority of Payments") of the Security Trust Deed;

"**Priority Instrument**" means a memorandum, deed, agreement, instrument, authorisation or other document (whether paper or electronic) whereby a mortgagee of a Property agrees with the Seller to postpone its mortgage or security interest (as appropriate) over the Property so that the sums secured by it will rank for repayment after the sums secured by the relevant Mortgage;

"**Product Switch**" has the meaning given on page 234;

"**Programme**" means the Bendigo and Adelaide Bank Covered Bond Programme established by the Issuer on the Programme Date;

"**Programme Agreement**" means the agreement between the Issuer, the CB Guarantor, the Arrangers and the Dealers together with any accession letters and/or agreements supplemental thereto, and shall include any distribution agreement entered into by certain Dealers in respect of the issuance of any Series of Covered Bonds;

"**Programme Date**" means 21 October 2022 or such other date as notified by the Issuer to the parties to the Transaction Documents;

"**Programme Resolution**" means any Extraordinary Resolution to direct the Bond Trustee to accelerate the Covered Bonds pursuant to the Terms and Conditions or to direct the Bond Trustee itself to take an action or to direct the Bond Trustee to require the Security Trustee to take any enforcement action pursuant to the Terms and Conditions or any other Extraordinary Resolution which, under the express provisions of any Transaction Document or the Terms and Conditions, is required to be passed by the Covered Bondholders of all Series then outstanding as if they were a single Series;

"**Property**" 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 terms 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 all fixtures and improvements to that land; and

(b) any parcel and any lot, common property and land comprising a parcel within the meaning of the *Strata Schemes Development Act 2015* or the *Community Land Development Act 2021* (New South Wales) or any equivalent legislation in any other Australian jurisdiction;

"**Prospectus**" means this prospectus prepared in connection with the Programme as revised, supplemented or amended from time to time by the Issuer and the CB Guarantor including any documents which are from time to time incorporated in the prospectus by reference except that:

(a) in relation to each Tranche of Covered Bonds only, the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement shall be deemed to be included in the Prospectus; and

(b) for the purpose of the Programme Agreement in respect of the Agreement Date and the Issue Date, the Prospectus means the Prospectus as at the Agreement Date, but not including any subsequent revision, supplement or amendment to it or incorporation of information in it;

"**protected account**" has the meaning given in the Banking Act;

"**Purchase Price**" means, in respect of any Loans, the purchase price to be paid by the CB Guarantor to the Seller in consideration of the Seller's sale of such Loans to the CB Guarantor in accordance with the Mortgage Sale Deed;

"**Purchaser**" means any third party or the Seller to whom the CB Guarantor offers to sell Selected Loans in accordance with the Mortgage Sale Deed or the Participation Deed;

"**Put**" or "**Put Option**" means the put option specified in the relevant Final Terms or, in the case of Exempt Covered Bonds, the relevant Pricing Supplement in respect of the applicable Series of Covered Bonds;

"**Put Notice**" has the meaning given to it in the Terms and Conditions;

"**Rate of Interest**" has the meaning given to it in Condition 4 ("Interest");

"**Rating Agencies**" means Moody's and Fitch and each is a "**Rating Agency**";

"**Ratings Notification**" means, in relation to an event or circumstance, the Trust Manager has confirmed in writing to the CB Guarantor and the Security Trustee that it has notified the Rating Agencies of the event or circumstance and that the Trust Manager is satisfied that the event or circumstance will not result in an Adverse Rating Effect;

"**RBA**" means the Reserve Bank of Australia;

"**RBA Bond Basis**" has the meaning given it in the Terms and Conditions;

"**Real Property Act**" means the Real Property Act 1900 (NSW);

"**Reasonable, Prudent Mortgage Lender**" means a reasonable prudent mortgage lender lending to borrowers in Australia in respect of assets of a type similar to the Loans;

"**Receiver**" means any person or persons appointed (and any additional person or persons appointed or substituted) by the Security Trustee as a receiver, manager, or receiver and manager of the property charged or secured under the Security Trust Deed;

"**Record Date**" has the meaning given to it in the Terms and Conditions;

"**Redeemed Covered Bonds**" has the meaning given to it in the Terms and Conditions;

"**Redemption/Payment Basis**" means the redemption and repayment provisions that apply to a Series of Covered Bonds as specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**Reference Banks**" has the meaning given to it in the Terms and Conditions or, if none is specified, four major banks selected by the Issuer or an independent adviser appointed by the Issuer in the market that is most closely connected with the Reference Rate or Reset Reference Rate, as applicable;

"**Reference Day**" has the meaning given to it in the Terms and Conditions;

"**Reference Index**" means any index of house prices in Australia that a Reasonable, Prudent Mortgage Lender would use for valuation purposes;

"**Reference Indexed Valuation**" in relation to a Property at any date means the Valuation of the Property increased or decreased as appropriate by the increase or decrease in the Reference Index since the date of that Valuation;

"**Reference Rate**" has the meaning given to it in the Terms and Conditions;

"**Register**" means the register of holders of the Registered Covered Bonds maintained by the Registrar;

"**Registered Covered Bond**" means a Covered Bond in registered form and includes each Australian Domestic Covered Bond;

"**Registered Definitive Covered Bond**" means a Registered Covered Bond in definitive form issued or, as the context may require, to be issued by the Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s), the Agency Agreement and the Bond Trust Deed either on issue or in exchange for a Registered Global Covered Bond or part thereof (all as indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), such Registered Covered Bond in definitive form being substantially in the form set out in Part 9 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) and having the relevant Terms and Conditions endorsed thereon or, if permitted by the relevant Stock Exchange, incorporating the Terms and Conditions by reference (where applicable to the Bond Trust Deed) as indicated in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement and having the relevant information supplementing, replacing or modifying the relevant Terms and Conditions appearing in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement endorsed thereon or attached thereto and having a Form of Transfer endorsed thereon;

"**Registered Global Covered Bonds**" means Global Covered Bonds in registered form, comprising Regulation S Global Covered Bonds, substantially in the form set out in Part 8 of schedule 2 to the Bond Trust Deed;

"**Registrar**" means the Australian Registrar and/or the Offshore Registrar, as the context so requires;

"**Registrar General**" means the office of the Registrar General authorised under the Real Property Act;

"**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 Definitive Regulation S Covered Bond, as the context may require;

"**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 and substantially in the form set out in Part 8 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);

"**Regulations**" means the Corporations Regulations 2001 (Australia), as amended by the Corporations Amendment (Stay on Enforcing Certain Rights) Regulations 2018 (Australia);

"**Reimbursement Demand Loan Advance**" has the meaning given on page 225;

"**Related Body Corporate**" has the meaning given in the Corporations Act;

"**Related Entity**" has the meaning given in the Corporations Act;

"**Related Security**" means, at any time in relation to a Loan, the right, title and interest of the CB Guarantor in any Encumbrance, guarantee, indemnity or other assurance which secures or otherwise provides for the repayment of that Loan (including each Mortgage and any Mortgage Insurance Policy in respect of that Loan):

(a) which has been acquired by the CB Guarantor in accordance with the Mortgage Sale Deed and which remains a Trust Asset of the Trust at that time; or

(b) which is then immediately to become acquired by the CB Guarantor in accordance with the Mortgage Sale Deed and which, on such acquisition, will become a Trust Asset of the Trust at that time,

as applicable;

"**Relevant Agreement**" means an agreement (whether oral or in writing) between the Issuer and any Dealer(s) for the issue by the Issuer and the subscription as principal by such Dealer(s) (or on such other basis as may be agreed between the Issuer and the relevant Dealer(s) at the relevant time) of any Covered Bonds and shall include, without limitation, any Subscription Agreement;

"**Relevant CB Guarantor Information**" has the meaning given on page vi;

"**Relevant Date**" has the meaning given to it in the Terms and Conditions;

"**Relevant Financial Centre**" has the meaning given to it in the Terms and Conditions;

"**Relevant Implementation Date**" has the meaning given to it in schedule 1 of the Programme Agreement;

"**Relevant Member State**" has the meaning given to it in schedule 1 of the Programme Agreement;

"**Relevant Screen Page**" has the meaning given to it in the Terms and Conditions;

"**Relevant Time**" has the meaning given to it in clause 1.3 (*Other defined terms*) of the Offshore Agency Agreement;

"**Remittance Date**" means, in relation to a Calculation Period, the date which is two AU Business Days prior to the CBG Payment Date following the end of that Calculation Period;

"**repay**", "**redeem**" and "**pay**" shall each include both of the others and cognate expressions shall be construed accordingly;

"**Representations and Warranties**" has the meaning given on page 230. Each of "**Representation**" and "**Warranty**" shall be construed accordingly;

"**Repurchase Completion Date**" has the meaning given on page 236;

"**Repurchase Event**" has the meaning given to it on page 234;

"**Required Outstanding Principal Balance**" has the meaning set out in clause 6.2(b) ("Conditions to sale") of the Participation Deed;

"**Required Servicer Rating**" means a long-term, unsecured, unsubordinated debt obligation rating of at least Baa3(cr) from Moody's or BBB- from Fitch;

"**Required Redemption Amount**" has the meaning given on page 254;

"**Reserve Bank Act**" has the meaning given on page x;

"**Reserve Fund Ledger**" means the ledger account of the GI Account to be established and maintained by the Trust Manager in accordance with the Participation Deed;

"**Reserve Fund Ledger**" means the ledger account of the GI Account to be established and maintained by the Trust Manager in accordance with the Participation Deed;

"**Reserve Fund Required Ledger Balance**" means at any time:

(a) if the Issuer's:

(i) short-term, unsecured, unsubordinated debt obligations are rated at least P-1 by Moody's; and

(ii) short-term, unsecured, unsubordinated debt obligations are rated at least F1 by Fitch or its long-term, unsecured, unsubordinated debt obligations are rated at least A- by Fitch,

or in each case, such lower rating that will not result in an Adverse Rating Effect, nil or such other amount as the Issuer shall advise the CB Guarantor from time to time and;

(b) if paragraph (a) does not apply, an amount determined by the Trust Manager to be equal to the Australian Dollar Equivalent of the aggregate of:

(i) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place, an amount equal to the interest due on each such Series of Covered Bonds in the immediately following three months; plus

(ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place, an amount equal to the aggregate amounts due to each relevant Covered Bond Swap Provider in the immediately following three months; plus

(iii) an amount equal to the aggregate of the amounts anticipated to be payable in respect of the items specified in paragraphs (i) to (viii) (inclusive) (and, if applicable, paragraph (ix)(A)) of the Pre-Acceleration Income Priority of Payments in the immediately following three months;

or such other amount as determined by the Trust Manager provided that the Trust Manager has delivered a Ratings Notification to the CB Guarantor and the Security Trustee in respect of such amount;

"**Reserve Fund Ledger Balance**" means, in respect of any, the credit balance of the Reserve Fund Ledger on that day.

"**Reset Date**" has the meaning given to it in the ISDA Definitions;

"**Residual Capital Unitholder**" means the person or persons identified as such in the Trust Deed;

"**Residual Income Unitholder**" means the person or persons identified as such in the Trust Deed;

"**RLOs**" means the responsible lending obligations under the Consumer Credit Legislation;

"**RWAs**" means risk weighted assets;

"**S&P**" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. or any of its affiliates;

"**Scheduled Interest**" means, in relation to a Series of Covered Bonds, an amount equal to the amount in respect of interest which is or would have been due and payable under such Covered Bonds as specified in Condition 4 (*Interest*) (but excluding, in each case, any Excluded Scheduled Interest Amounts payable by the Issuer following service of an Issuer Acceleration Notice):

(a) (where applicable) as if the Issuer Event of Default and the service of an Issuer Acceleration Notice had not occurred and the relevant Series of Covered Bonds had not become due and repayable prior to their Final Maturity Date by the Issuer; and

(b) (if the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement specifies that an Extended Due for Payment Date is applicable to the relevant Covered Bonds and the Final Maturity Date of the relevant Series of Covered Bonds is so extended) as if the Final 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, in each case, any additional amounts the Issuer would be obliged to pay as a result of any gross up under Condition 8 (*Taxation*);

"**Scheduled Payment Date**" means, in relation to payments under the Covered Bond Guarantee in respect of a Series of Covered Bonds, each Interest Payment Date or the Final Maturity Date (as the case may be) or any other date in respect of which any principal or interest is payable by the Issuer in accordance with the Terms and Conditions (other than pursuant to Condition 10(b) (*CBG Events of Default*)) as if an Issuer Event of Default and the service of an Issuer Acceleration Notice had not occurred and the relevant Series of Covered Bonds had not become due and repayable prior to their Final Maturity Date by the Issuer;

"**Scheduled Principal**" means, in relation to a Series of Covered Bonds, an amount equal to the amount in respect of principal which is or would have been due and repayable under such Covered Bonds on each Interest Payment Date or the Final Maturity Date (as the case may be) or any other date in respect of which any principal is payable by the Issuer (as the case may be) as specified in Condition 6(a) (*Final redemption*) (but excluding, in each case, any Excluded Scheduled Principal Amounts payable by the Issuer following service of an Issuer Acceleration Notice):

(a) (where applicable) as if the Issuer Event of Default and the service of an Issuer Acceleration Notice had not occurred and the relevant Series of Covered Bonds had not become due and repayable prior to their Final Maturity Date by the Issuer; and

(b) (if the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement specifies that an Extended Due for Payment Date is applicable to such relevant Covered Bonds and the Final Maturity Date of the relevant Series of Covered Bonds is so extended) as if the Final Maturity Date of such Covered Bonds had been the Extended Due for Payment Date (but taking into account any principal repaid in respect of such Covered Bonds or Guaranteed Amounts paid in respect of such principal prior to the Extended Due for Payment Date);

"**Screen Rate Determination**" means, if specified as applicable in the applicable Final Terms or Pricing Supplement, the manner in which the Rate of Interest on Floating Rate Covered Bonds is to be determined in accordance with the Terms and Conditions;

"**Secured Creditors**" means:

(a) the Security Trustee (in its own capacity and on behalf of the other Secured Creditors) and any receiver or other appointee thereof;

(b) the Bond Trustee (in its own capacity and on behalf of the Covered Bondholders) and any appointee thereof;

(c) each of the Covered Bondholders and the Couponholders;

(d) the Issuer;

(e) the Seller;

(f) the Servicer;

(g) the Account Bank;

(h) the Trust Manager;

(i) each Swap Provider;

(j) each Agent;

(k) the Intercompany Loan Provider;

(l) the Demand Loan Provider;

(m) the Asset Monitor;

(n) the CB Guarantor (in its personal capacity); and

(o) any other person which the CB Guarantor and the Trust Manager agree is to be a Secured Creditor from time to time;

"**Secured Money**" means all amounts that, at any time, for any reason or circumstance in connection with the Transaction Documents (including any transaction in connection with them), whether at law or otherwise, and whether or not of a type within the contemplation of the parties at the date of this deed:

(a) are payable, owing but not currently payable, contingently owing, or remain unpaid, by the CB Guarantor to any Secured Creditor; or

(b) any Secured Creditor has advanced or paid on the CB Guarantor's behalf or at the CB Guarantor's express or implied request; or

(c) any Secured Creditor is liable to pay by reason of any act or omission on the CB Guarantor's part, or that any Secured Creditor has paid or advanced in protecting or maintaining the Collateral or the Charge following an act or omission on the CB Guarantor's part; or

(d) are reasonably foreseeable as likely, after that time, to fall within any of the above paragraphs;

"**Securities Act**" means the U.S. Securities Act of 1933, as amended;

"**Securities and Futures Act**" has the meaning given on page xi;

"**Security**" has the meaning given to it in the Security Trust Deed.

"**Security Trust**" means Bendigo and Adelaide Bank Covered Bond Security Trust;

"**Security Trust Deed**" means the Security Trust Deed dated 11 October 2022 between the CB Guarantor, the Security Trustee and others, as amended from time to time;

"**Security Trustee**" means P.T. Limited (ABN 67 004 454 666) as trustee of the Security Trust;

"**Selected Loan Offer Notice**" means a notice in the form set out in schedule 5 (Selected Loan Offer Notice) to the Mortgage Sale Deed served in accordance with the terms of the Mortgage Sale Deed;

"**Selected Loan Repurchase Notice**" means a notice in the form set out in schedule 4 to the Mortgage Sale Deed served in accordance with the terms of the Mortgage Sale Deed;

"**Selected Loans**" means the Loans and their Related Security to be sold by the CB Guarantor pursuant to the terms of clause 5 ("Sale of Selected Loans") and clause 6 ("Method of sale of Selected Loans") of the Participation Deed;

"**Seller**" means the Issuer in its capacity as Seller under the Mortgage Sale Deed;

"**Seller Power of Attorney**" means a power of attorney in the form set out in schedule 6 or schedule 7 (as applicable) of the Mortgage Sale Deed;

"**Seller's Policy**" means the originating, underwriting, administration, management arrears and enforcement policies and procedures applied by the Seller in its ordinary course of business from time to time as those policies and procedures are amended from time to time;

"**Senior Portion Outstanding**" has the meaning given on page 226;

"**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 and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices and the expressions "**Covered Bonds of the relevant Series**", "**holders of Covered Bonds of the relevant Series**" and related expressions shall be construed accordingly;

"**Series Reserved Matter**" means each of the matters described in sub-paragraphs (a) to (f) of Paragraph 5 of schedule 4 (*Provisions for Meetings of Covered Bondholders*) to the Bond Trust Deed and includes any alterations to this definition;

"**Servicer**" means the Issuer in its capacity as servicer or any successor servicer appointed from time to time;

"**Servicer's Remittance Rating**" means, in respect of the Servicer, a short term rating of at least F2 or a long-term rating of at least BBB from Fitch;

"**Servicer Termination Event**" has the meaning given to it in clause 11.1 ("Servicer Termination Event") of the Servicing Deed;

"**Servicing Deed**" means the servicing deed dated 11 October 2022 as amended and restated on or about 5 June 2023 between the CB Guarantor, the Servicer and others (as the same may be further amended and/or supplemented and/or restated from time to time);

"**Servicing Guidelines**" means:

(a) prior to a Title Perfection Event, the Seller's Policy (for so long as it exists and thereafter such policies as would be applied by a Reasonable, Prudent Mortgage Lender in the conduct of its servicing business); and

(b) following a Title Perfection Event:

(i) the Seller's Policy, provided that a member of the Group is the Servicer; or

(ii) if sub-paragraph (i) does not apply, such policies as would be applied by a Reasonable, Prudent Mortgage Lender in the conduct of its servicing business (as determined by the Servicer acting reasonably) and, where commercially reasonable, conforms with the Seller's Policy;

"**Servicing Services**" means the services to be provided by the Servicer pursuant to the Servicing Deed;

"**SMR**" means a suspicious matter report;

"**SOFR**" has the meaning given on page iv;

"**SOFR Averaging Method**" has the meaning given to it in Condition 4 ("Interest");

"**SOFR Index**" has the meaning given on page iv;

"**SOFR Index$_{End}$**" has the meaning given to it in Condition 4 ("Interest");

"**SOFR Index$_{Start}$**" has the meaning given to it in the Terms and Conditions;

"**SONIA**" has the meaning given on page iii;

"**SONIA Averaging Method**" has the meaning given to it in Condition 4 ("Interest");

"**SONIA Index**" has the meaning given on page iii;

"**SONIA Index$_{end}$**" has the meaning given to it in Condition 4 ("Interest");

"**SONIA Index$_{start}$**" has the meaning given to it in Condition 4 ("Interest");

"**Specified Currency**" means the currency specified as such in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**Specified Denomination**" means, in respect of a Series of Covered Bonds, the denomination or denominations of such Covered Bonds specified in the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement;

"**Specified Interest Payment Date**", in respect of Floating Rate Covered Bonds has the meaning (if any) given to it in the applicable Final Terms or Pricing Supplement;

"**Specified Period**" has the meaning given to it in the Terms and Conditions;

"**Standard Documentation**" means the standard documentation or any update or replacement therefor as the Seller may from time to time introduce acting in accordance with the standards of a Reasonable, Prudent Mortgage Lender;

"**Statutory Test**" has the meaning given to it in clause 1.2 ("Defined Terms") of the Asset Monitor Agreement;

"**Stock Exchange**" means any competent listing authority, quotation system and/or stock or securities exchange on or by which any Covered Bonds may from time to time be listed, quoted and/or admitted to trading and references to the "**relevant Stock Exchange**" shall, 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, quoted and/or admitted to trading;

"**Subscription Agreement**" means an agreement supplemental to the Programme Agreement (by whatever name called) in or substantially in the form set out in schedule 5 (Form of Subscription Agreement) of the Programme Agreement or in such other form as may be agreed between the Issuer, the CB Guarantor and the Lead Manager or one or more Dealers (as the case may be);

"**Subsidiary**" of an entity means another entity which:

(a) is a subsidiary of the first entity within the meaning of Part 1.2 of Division 6 of the Corporations Act; or

(b) is part of the consolidated entity constituted by the first entity and the entities it is required by law to include in the consolidated financial statements it prepares, or would be if the first entity was required by law to prepare consolidated financial statements;

"**Substitution Assets**" means each of:

(a) Australian Dollar bank accepted bills and certificates of deposit held with an Eligible Bank, with a remaining period to maturity of 100 days or less, provided that such Eligible Bank accepted bills and certificates of deposit are not issued by the Issuer and satisfy the requirements for eligible assets that may collateralise covered bonds in accordance with RBA repo eligibility requirements (if any);

(b) an at call Australian Dollar deposit held with an Eligible Bank and convertible into cash within 2 AU Business Days;

(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- or F1+ by Fitch;

(d) any other asset of a kind prescribed in section 31(1) of the Australian Banking Act or by regulations for the purposes of section 31(1)(i) of the Australian Banking Act in respect of which a Ratings Notification has been provided,

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 Banking Act;

"**sub-unit**" has the meaning given to it in the Terms and Conditions;

"**Swap Agreements**" means the Covered Bond Swap Agreements together with the Interest Rate Swap Agreements, and each a "**Swap Agreement**";

"**Swap Collateral**" means, at any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by a Swap Provider to the CB Guarantor as collateral in respect of the performance by such Swap Provider of its obligations under the relevant Swap Agreement together with any interest, income or distribution received in respect of such asset and any equivalent of such asset into which such asset is transformed;

"**Swap Collateral Account**" means any account in the name of the CB Guarantor into which Swap Collateral in respect of an Interest Rate Swap or a Covered Bond Swap may be deposited in accordance with the terms of any such Swap;

"**Swap Collateral Available Amounts**" means, at any time, the amount of Swap Collateral which under the terms of the relevant Swap Agreement may be applied in satisfaction of the relevant Swap Provider's obligations to the CB Guarantor following termination of a Swap to the extent that such obligations relate to payments to be made in connection with the Pre-Acceleration Priority of Payments or the Guarantee Priority of Payments;

"**Swap Collateral Excluded Amounts**" means, at any time, the amount of Swap Collateral which may not be applied at that time in satisfaction of the relevant Swap Provider's obligations to the CB Guarantor under the terms of the relevant Swap Agreement, including Swap Collateral which is to be returned to the relevant Swap Provider upon termination of the relevant Swap;

"**Swap Provider Default**" means the occurrence of an Event of Default (as defined in the relevant Swap Agreement) with respect to the relevant Swap Provider, where the relevant Swap Provider is the Defaulting Party (as defined in the relevant Swap Agreement);

"**Swap Provider Downgrade Event**" means the occurrence of an Additional Termination Event (as defined in the relevant Swap Agreement) following a failure by the Swap Provider to comply with the requirements of the ratings downgrade provisions set out in the relevant Swap Agreement;

"**Swap Providers**" means the Covered Bond Swap Providers and the Interest Rate Swap Provider, and each a Swap Provider;

"**Swaps**" means the Covered Bond Swaps together with the Interest Rate Swap, and each a "**Swap**";

"**Talon**" has the meaning given to it in the Terms and Conditions;

"**Tax Credit**" has the meaning given to it in the relevant Swap Agreement;

"**Taxes**" means all present and future taxes, levies, imposts, duties (including stamp and transaction duties), fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed, including, without limitation, income tax, company tax, corporation tax, goods and services tax or value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency, together with any penalties, fines or interest thereon and Tax and Taxation and cognate expressions shall be construed accordingly;

"**Temporary Global Covered Bond**" means a temporary global covered bond substantially in the form set out in Part 1 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), together with the copy of the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement annexed thereto, comprising some or all of the Covered Bonds of the same Series, issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and the Bond Trust Deed;

"**Terms and Conditions**" or "**Conditions**" means the Terms and Conditions of the Covered Bonds (as set out in schedule 1 to the Bond Trust Deed) as modified and/or supplemented by the Final Terms or, in the case of Exempt Covered Bonds, the 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 Terms and Conditions are to each of such terms and conditions, or to the relevant terms and conditions, as the context requires;

"**TFN**" means tax file number;

"**Third Party Amounts**" means each of the following amounts which are identified by the Seller or the Servicer as notified to the Trust Manager as being Third Party Amounts:

(a) any amount received from (or on behalf of) 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 that Borrower, the Seller or the CB Guarantor;

(b) any amount received from (or on behalf of) a Borrower in respect of fees (including deferred establishment fees and Early Repayment Fees) and other charges which are due to the Seller; and

(c) any amount received from (or on behalf of) a Borrower which is required to be refunded or reversed (including, as a result of overpayment or the failure of a direct debit);

"**Title Documents**", in respect of a Loan, includes the original of:

(a) the certificate or other indicia of title (if any) in respect of the relevant Property;

(b) the original or duplicate of any Related Security documents;

(c) any valuation report obtained in connection with the Mortgage or any Related Security;

(d) any deed of priority or similar document entered into in connection with the Loan or Related Security;

(e) the relevant Loan Terms; and

(f) all other documents required to evidence the interest of the lender of record in the relevant Property and Related Security,

as applicable;

"**Title Perfection Event**" has the meaning given on page 229;

"**Tranche**" means an issue of Covered Bonds which are identical in all respects (including as to listing and admission to trading);

"**Transaction Documents**" means:

(a) the Mortgage Sale Deed;

(b) the Servicing Deed;

(c) the Asset Monitor Agreement;

(d) the Intercompany Loan Agreement;

(e) the Demand Loan Agreement;

(f) the Participation Deed;

(g) the Trust Management Deed;

(h) the Interest Rate Swap Agreement;

(i) each Covered Bond Swap Agreement;

(j) the Bank Account Agreement;

(k) the Bond Trust Deed;

(l) the Security Trust Deed (and each document entered into pursuant to the Security Trust Deed);

(m) the Trust Deed;

(n) each Agency Agreement;

(o) the Programme Agreement;

(p) the Common Terms Deed;

(q) each Pricing Supplement (in respect of any Series of Covered Bonds, as applicable in the case of each issue of listed Covered Bonds subscribed for pursuant to a subscription agreement) entered into from time to time;

(r) each Final Terms or, in the case of Exempt Covered Bonds, each Pricing Supplement (in respect of any Series of Covered Bonds, as applicable in the case of each issue of listed Covered Bonds subscribed for pursuant to a subscription agreement) entered into from time to time;

(s) each Relevant Agreement (as applicable in the case of each issue of listed Covered Bonds subscribed for pursuant to a subscription agreement) entered into from time to time;

(t) each Interest Rate Swap Collateral Bank Account Agreement entered into from time to time;

(u) each Covered Bond Swap Collateral Bank Account Agreement entered into from time to time; and

(v) each other document which is agreed to be a Transaction Document by the Security Trustee, the CB Guarantor and the Trust Manager from time to time;

"**Transaction Document Business Day Convention**" means the convention for adjusting any date if it would otherwise fall on a day that is not an AU Business Day, such that the date is postponed to the next AU Business Day;

"**Transfer Agent**" means, in relation to all or any Series of Registered Covered Bonds, Deutsche Bank AG, Hong Kong Branch, in its capacity as transfer agent or, if applicable, any successor transfer agent in relation to all or any Series of the Covered Bonds;

"**Trust**" means the trust known as the "Bendigo and Adelaide Bank Covered Bond Trust" constituted under the Trust Deed;

"**Trust Assets**" means, in relation to the Trust, all the CB Guarantor's rights, property and undertaking which are the subject of the Trust:

(a) of whatever kind and wherever situated; and

(b) whether present or future;

"**Trust Back**" means the trust (if any) referred to in clause 12 ("Constitution and Entitlement of the Trust Back") of the Mortgage Sale Deed;

"**Trust Back Assets**" means any right, title, interest and benefit in and to:

(a) any Other Secured Liability; and

(b) any Related Security that secures any Other Secured Liability (to the extent that such Related Security secured the Other Secured Liability),

in each case assigned by the Seller to the CB Guarantor pursuant to the Mortgage Sale Deed and which is subject to clause 12 ("Constitution and Entitlement of the Trust Back") of the Mortgage Sale Deed. Trust Back Assets includes any proceeds of or any amount received under, or as a consequence of the exercise of, a right, title, interest or benefit in respect of any Other Secured Liability or any Related Security that secures any Other Secured Liability (to the extent that such Related Security secured the Other Secured Liability);

"**Trust Business**" means the business of the CB Guarantor in:

(a) acquiring Loans, Related Securities, Authorised Investments and Substitution Assets;

(b) administering, collecting and otherwise dealing with the Loans;

(c) providing the Covered Bond Guarantee;

(d) entering into, and exercising rights and complying with obligations under, the Transaction Documents and the transactions in connection with them; and

(e) all other activities in connection with the Trust;

"**Trust Deed**" means the document entitled "Trust Deed – Bendigo and Adelaide Bank Covered Bond Trust" dated 11 October 2022 between the CB Guarantor and others, as amended from time to time;

"**Trust Expenses**" means all Costs incurred by the CB Guarantor in connection with the Trust under the Transaction Documents and any other amounts payable by the CB Guarantor under the Transaction Documents, in respect of which the CB Guarantor is entitled to be reimbursed or indemnified out of the Trust Assets, and includes any Costs to be paid or reimbursed to the CB Guarantor in its personal capacity (but in each case excluding any amount of a type otherwise referred to in the relevant Priority of Payments and excluding any Third Party Amounts, Swap Collateral and Trust Back Assets);

"**Trust Indenture Act**" means the U.S. Trust Indenture Act of 1939, as amended;

"**Trust Management Deed**" means the trust management deed dated 11 October 2022 between the CB Guarantor, the Manager and others, as amended from time to time;

"**Trust Management Services**" means the services to be provided by the Trust Manager under the Trust Management Deed;

"**Trust Manager**" means AB Management Pty Ltd in its capacity as trust manager or any successor trust manager appointed from time to time;

"**Trust Manager Termination Event**" has the meaning given to it in clause 9.1 ("Trust Manager Termination Events") of the Trust Management Deed;

"**Trust presents**" means the Bond Trust Deed and the schedules and any trust deed supplemental to the Bond Trust Deed and the schedules (if any) thereto and the Covered Bonds, the Coupons, the Talons, the

Terms and Conditions and each Final Terms or, in the case of Exempt Covered Bonds, each Pricing Supplement, all as from time to time modified in accordance with the provisions therein contained;

"**TTR**" means a threshold transaction report;

"**UK**" means United Kingdom;

"**UK Benchmarks Regulation**" has the meaning given to it on page xiii;

"**UK CRA Regulation**" means Regulation (EU) No. 1060/2009 as it forms part of the domestic law of the UK by virtue of the EUWA;

"**UK MiFIR**" has the meaning given to it on page iii;

"**UK MiFIR Product Governance Rules**" has the meaning given on page xiii;

"**UK PRIIPs Regulation**" has the meaning given on page xii;

"**UK Prospectus Regulation**" has the meaning given to it on page iii;

"**U.S. Government Securities Business Day**" means any day except for a Saturday, 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;

"**U.S. person**" has the meaning given in Regulation S;

"**Unit**" has the meaning given to it in the Trust Deed;

"**Unitholder**" means, in respect of the Trust, either a Residual Capital Unitholder or a Residual Income Unitholder;

"**Valuation**" means, in relation to any Property, the value given to that Property by reference to either:

(a) the latest Valuation Report (if obtained) in respect of that Property; or

(b) if no such Valuation Report has been obtained, such valuation of that Property as determined by the Seller or the Servicer in accordance with the Seller's Policy from time to time, or, if the Seller's Policy is no longer applicable, using a methodology which would be acceptable to a Reasonable, Prudent Mortgage Lender;

"**Valuation Report**" means the valuation report or reports for mortgage purposes obtained by the Seller in respect of a Property whether obtained at the time the Loan in respect of the relevant Property was originated or subsequently;

"**Variable Rate Loans**" means those Loans which are subject to a rate of interest which may at any time be varied in accordance with the relevant Loan Terms (and shall, for the avoidance of doubt, exclude Fixed Rate Loans and include Loans subject to a capped rate of interest);

"**VAT**" means, in relation to any jurisdiction in the European Union, the value added tax provided for in Directive 2006/112/EC and charged under the provisions of any national legislation implementing that directive or Directive 77/388/EEC, together with legislation supplemental thereto and, in relation to any other jurisdiction, the equivalent Tax, if any, in that jurisdiction;

"**Weighted Average SOFR**" has the meaning given to it in the Terms and Conditions;

"**Wilful Default**" means in relation to the CB Guarantor or the Security Trustee, any wilful failure to comply with, or wilful breach of any of its respective obligations under any Transaction Document, other than a failure to comply or breach which:

(a) arises as a result of a breach of a Transaction Document by a person other than the CB Guarantor or the Security Trustee (as applicable) (or any of its officers or employees, or any of its agents, delegates or any other person for whom the CB Guarantor or the Security Trustee (as applicable) is liable under the terms of any Transaction Document) and the performance of the action (the non-performance of which gave rise to such breach) is a precondition to it performing the said obligation;

(b) is in accordance with a lawful court order or direction or required by law; or

(c) is in accordance with a proper instruction or direction of the Covered Bondholders or Secured Creditors (as applicable) provided by way of a resolution in accordance with the Transaction Documents or any person (other than the defaulting party) permitted to give such instruction or direction to the defaulting party under the Transaction Documents;

"**Winding-Up**" means, in respect of any member of the Group, any procedure whereby the member may be wound-up, dissolved, liquidated, sequestered or cease to exist as a body corporate or a trust (as applicable) whether brought or instigated by a Covered Bondholder or any other person, other than, in respect of the Issuer, under or in connection with a scheme of amalgamation or reconstruction not involving a bankruptcy or insolvency where the obligations of it in relation to the Covered Bond Guarantee are assumed by the successor entity to which all, or substantially all, of the property, assets and undertaking of it are transferred or where an arrangement with similar effect not involving a bankruptcy or insolvency is implemented;

"**Yield Shortfall**" has the meaning given on page 241; and

"**Yield Shortfall Test**" has the meaning given on page 241.

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