

Commonwealth Bank of Australia
(incorporated with limited liability in the Commonwealth of Australia and having Australian Business Number 48 123 123 124)
as Issuer

U.S.$40,000,000,000 CBA Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments of interest and principal by

Perpetual Corporate Trust Limited
(incorporated with limited liability in the Commonwealth of Australia and having Australian Business Number 99 000 341 533)
in its capacity as trustee of the CBA Covered Bond Trust

Under the U.S.$40,000,000,000 CBA Covered Bond Programme (the **Programme**) established by Commonwealth Bank of Australia ABN 48 123 123 124 (the **Bank** or the **Issuer**), the Issuer may from time to time issue bonds (**Covered Bonds**) denominated in any currency agreed between the Issuer and the Relevant Dealer(s) (as defined below). The price and amount of the Covered Bonds to be issued under the Programme will be determined by the Issuer and the Relevant Dealer(s) at the time of issue in accordance with the prevailing market conditions. Any Covered Bonds issued under the Programme on or after the date of this Prospectus are issued subject to the provisions described in this Prospectus and in any supplement hereto.

Perpetual Corporate Trust Limited ABN 99 000 341 533 in its capacity as trustee of the CBA Covered Bond Trust (the **Trust** and, in such capacity, the **Covered Bond Guarantor**) has guaranteed payments of interest and principal under the Covered Bonds pursuant to a guarantee which is secured over the Mortgage Loan Rights (as defined in this Prospectus) and the other Assets (as defined in this Prospectus) of the Trust. Recourse against the Covered Bond Guarantor under its guarantee is limited to the Assets of the Trust.

The maximum aggregate nominal amount of all Covered Bonds from time to time outstanding under the Programme will not exceed U.S.$40,000,000,000 (or its equivalent in other currencies calculated by reference to the spot rate for the sale of U.S. dollars against the purchase of such currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on the relevant date of the agreement to issue between the Issuer and the Relevant Dealer(s)), subject to any increase as described in this Prospectus.

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

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

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

This Prospectus has been approved as a base prospectus by the Financial Conduct Authority (the **FCA**) pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook ("**PRM**"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the rules in the PRM. Such approval should not be considered as an endorsement of the Issuer and the Covered Bond Guarantor and 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 purpose of giving information with regard to the issue of 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 London Stock Exchange's main market 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 in the UK by virtue of the EUWA (**UK MiFIR**) 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 London Stock Exchange's main market and have been admitted to the Official List. Perpetual Corporate Trust Limited and P.T. Limited have not made or authorised the application to admit Covered Bonds issued under the Programme to the Official List or to admit the Covered Bonds to trading on the London Stock Exchange's main market.

This Prospectus (as 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 the London Stock Exchange's main market. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

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

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

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

As set forth in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), the Covered Bonds have not been and will not be registered under the Securities Act. Under this Prospectus, the Covered Bonds (including N Covered Bonds, as defined in the section "*Glossary*" in this Prospectus) are being offered and sold in accordance with Regulation S under the Securities Act (**Regulation S**) solely to non-U.S. persons outside the United States in offshore transactions. The Covered Bonds may also be offered and sold in reliance on Rule 144A to "qualified institutional buyers" (as defined in Rule 144A) under a separate offering memorandum. In addition, A$ Registered Covered Bonds may also be offered and sold under a separate information memorandum. Accordingly, references to Covered Bonds in this Prospectus are references to both Covered Bonds issued pursuant to this Prospectus and Covered Bonds issued pursuant to such separate offering memorandum and information memorandum. All such Covered Bonds will rank *pari passu* without any preference or priority among themselves.

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

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

Neither of the Rating Agencies nor S&P is established in the European Union (the **EU**) or in the UK, and neither of the Rating Agencies nor S&P has applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) or Regulation (EC) No. 1060/2009 as it forms part of domestic law in the UK by virtue of the EUWA (the **UK CRA Regulation**), respectively. The rating by S&P has been endorsed by S&P Global Ratings Europe Limited and S&P Global Ratings UK Limited, the rating by Moody's has been endorsed by Moody's Investors Service Ltd and Moody's Deutschland GmbH, and

the rating by Fitch has been endorsed by Fitch Ratings Limited and Fitch Ratings Ireland Limited respectively, in accordance with the CRA Regulation or the UK CRA Regulation, as applicable.

Each of S&P Global Ratings Europe Limited, Moody's Deutschland GmbH and Fitch Ratings Ireland Limited is established in the EU and registered under the CRA Regulation. As such, as at the date of this Prospectus, they are included in the list of credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation). Each of S&P Global Ratings UK Limited, Moody's Investors Service Limited and Fitch Ratings Limited is established in the UK and is registered in accordance with the UK CRA Regulation. As such, as at the date of this Prospectus, they are included in the list of credit rating agencies registered or certified with the FCA published on its website (at https://www.fca.org.uk/firms/credit-rating-agencies). The ratings issued by S&P Global Ratings UK Limited, Moody's Investors Service Limited and Fitch Ratings Limited may be used 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 S&P, Moody's and Fitch will continue.

The Covered Bond Guarantor is not a "covered fund" for purposes of Section 619 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (such statutory provision together with such implementing regulations are also referred to collectively as the **Volcker Rule**). The Covered Bond Guarantor will be relying on an exclusion or exemption from the definition of "investment company" under the Investment Company Act of 1940, as amended (the **Investment Company Act**), contained in Section 3(c)(5)(C) of the Investment Company Act, although there may be additional exclusions or exemptions available to the Covered Bond Guarantor.

This Prospectus is issued in replacement of a Prospectus dated 22 July 2025 and accordingly supersedes that earlier Prospectus. This does not affect any Covered Bonds issued under the Programme prior to the date of this Prospectus.

Arranger for the Programme

Commonwealth Bank of Australia

Dealers for the Programme

Barclays	**BMO Capital Markets**
BNP PARIBAS	**Citigroup**
Commonwealth Bank of Australia	**Crédit Agricole CIB**
Deutsche Bank	**DZ BANK AG**
Goldman Sachs International	**HSBC**
J.P. Morgan	**LBBW**
Morgan Stanley	**Natixis**
Nomura	**RBC Capital Markets**
Société Générale Corporate & Investment Banking	**Standard Chartered Bank**
TD Securities	**UBS Investment Bank**

The date of this Prospectus is 20 July 2026.

This Prospectus has been approved by the FCA as a base prospectus for the purposes of PRM 2.3. This Prospectus is not a prospectus for the purposes of section 12(a)(2) of the Securities Act or any other provision or order under the Securities Act. This Prospectus is not a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended, the **EU Prospectus Regulation**).

The Issuer accepts responsibility for the information in this Prospectus and the Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for each Tranche of Covered Bonds issued by it under the Programme. The Covered Bond Guarantor (in its capacity as Trustee of the Trust) accepts responsibility for the information contained in the sections entitled "*Documents Incorporated by Reference – paragraph (c)*", "*Structure Overview – The Programme – Covered Bond Guarantee*", "*Programme Overview – Covered Bond Guarantee*", "*Risk Factors - Risk Factors Relating To The Covered Bond Guarantor, Including The Ability Of The Covered Bond Guarantor To Fulfil Its Obligations In Relation To The Covered Bond Guarantee*", Conditions 3.3 and 9.2 in the section entitled "*Terms and Conditions of the Covered Bonds*", "*The CBA covered Bond Trust – Covered Bond Guarantor*", "*Overview of the Principal Documents – The Covered Bond Guarantee*", "*Credit Structure – Covered Bond Guarantee*", the Covered Bond Guarantee as referenced in paragraph (iii) of "*General Information – Documents Available*", the second paragraph in "*General Information – Significant or Material Change*" and the second paragraph in "*General Information – Litigation*" in this Prospectus and paragraphs 2 and 15(ii) in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for each Tranche of Covered Bonds issued under the Programme. To the best of the knowledge of each of the Issuer and the Covered Bond Guarantor, only in relation to the information for which it is responsible, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

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

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

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

Neither this Prospectus nor any other information supplied in connection with the Programme or any Covered Bonds (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a

recommendation by the Issuer, the Covered Bond Guarantor, the Seller, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Security Trustee, the Account Bank, the Cover Pool Monitor or any Swap Provider that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Covered Bonds should purchase any Covered Bonds. Each investor contemplating purchasing any Covered Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Covered Bond Guarantor and/or any other relevant party to the Programme. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Covered Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Covered Bond Guarantor, the Seller, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Lead Manager (if applicable), the Arranger, the Dealers, the Agents, the Bond Trustee, the Trust Manager, the Security Trustee, the Account Bank, the Cover Pool Monitor or any Swap Provider to any person to subscribe for or to purchase any Covered Bonds.

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

Under this Prospectus, the Covered Bonds (other than N Covered Bonds) are being offered and sold in accordance with Regulation S solely to non-U.S. persons outside the United States in offshore transactions and such Covered Bonds have not been and will not be registered under the Securities Act. The Covered Bonds may also be offered and sold in reliance on section 4(a)(2) of, and Rule 144A and Regulation D under, the Securities Act to "qualified institutional buyers" (as defined in Rule 144A) under a separate offering memorandum. In addition, A$ Registered Covered Bonds may also be offered and sold under a separate information memorandum. Accordingly, references to Covered Bonds in this Prospectus are references to both Covered Bonds issued pursuant to this Prospectus and Covered Bonds issued pursuant to that separate offering memorandum and information memorandum. All such Covered Bonds will rank *pari passu* without any preference or priority among themselves and all payments of principal and interest payable under all such Covered Bonds will be guaranteed by the Covered Bond Guarantor pursuant to the terms of the Covered Bond Guarantee.

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

Switzerland, Canada, Hong Kong, Singapore, Taiwan, the PRC (as defined below), Macau, the Republic of Korea and Japan (see the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus). Neither the Issuer, the Covered Bond Guarantor, the Trust Manager, the Dealers, the Lead Manager (if applicable) nor any other party to the Programme Documents have authorised, nor do they authorise, the making of any offer of Covered Bonds in circumstances in which an obligation arises for the Issuer, the Covered Bond Guarantor, the Trust Manager, the Dealers, the Lead Manager (if applicable) or any other such party to publish or supplement a prospectus for such offer. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

All references to **U.S. dollars**, **USD** and **U.S.$** are to the currency of the United States of America, to **A$**, **Australian $**, **AUD** and **Australian dollars** are to the lawful currency of Australia, to **CAD** and **C$** are to the lawful currency of Canada, to **JPY**, **Yen** and **¥** are to the lawful currency of Japan, to **SGD** or **S$** are to the lawful currency of Singapore, to **NZD**, **NZ$** or **New Zealand dollars** are to the lawful currency of New Zealand, to **HKD** and **Hong Kong dollars** are to the lawful currency of Hong Kong, to **CHF** and **Swiss Francs** are to the lawful currency of Switzerland, to **NOK** and **Norwegian Kroner** are to the lawful currency of Norway, to **Sterling**, **GBP** and **£** are to the lawful currency of the UK, to **CNY** and **CNH** are to the lawful currency of the People's Republic of China (the **PRC**) which for purposes of this Prospectus excludes the Hong Kong Special Administrative Region of the PRC (**Hong Kong**), the Macau Special Administrative Region of the PRC (**Macau**) and Taiwan and to **euro**, **EUR** and **€** are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended. In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

In connection with the issue of any Covered Bonds, the Dealer(s) (if any) named as the Stabilising Manager(s) (or person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) may, outside of Australia and on a financial market operated outside of Australia, 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 Covered Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Covered Bonds and 60 days after the date of the allotment of the relevant Covered Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

None of the Issuer, the Arranger, the Lead Manager (if applicable), the Dealers, the Covered Bond Guarantor, the Agents, the Security Trustee, the Trust Manager, the Bond Trustee nor any other party to the Programme Documents makes any representation to any investor in the Covered Bonds regarding the legality of its investment under any applicable laws. Any investor in the Covered Bonds should be able to bear the economic risk of an investment in the Covered Bonds for an indefinite period of time.

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 (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.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Covered Bonds are legal investments for it, (b) Covered Bonds can be used as collateral for various types of borrowing, (c) Covered Bonds can be used as repo-eligible securities and (d) other restrictions apply to its purchase or pledge of any Covered Bonds. Financial institutions should consult their legal advisors 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 Guarantor, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee, the Arranger or the Dealers makes any representation to any prospective investor or purchaser of the Covered Bonds regarding the treatment of their investment as at the date of this Prospectus or at any time in the future.

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

In the event that the Bank becomes insolvent, insolvency proceedings in respect of the Bank will be governed by Australian law. Potential investors should be aware that Australian insolvency laws are different from the insolvency laws in other jurisdictions. In particular, the voluntary administration procedure under the Australian Corporations Act, which provides for the potential re-organisation of an insolvent company, differs significantly from similar provisions under the insolvency laws of other jurisdictions.

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

Copies of the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement for each Tranche of Covered Bonds issued subject to the provisions described in this Prospectus and any supplement hereto, will be available by appointment from the registered office of the Issuer and the specified office set out below of the Principal Paying Agent (as defined below). The applicable Pricing Supplement will only be obtainable by a Covered Bondholder subject to production of evidence as to its holding of Covered Bonds and identity as set out in the Conditions. The Principal Paying Agent may provide such documents for inspection by electronic means.

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

Citigroup Global Markets Limited is incorporated in the UK and is authorised in the UK by the Prudential Regulation Authority (the **PRA**) and regulated in the UK by the FCA and the PRA. Citigroup Global Markets Limited does not hold an Australian Financial Services Licence and, in providing the services in relation to this Programme, it relies on various exemptions contained in the Australian Corporations Act and the Corporations Regulations 2001 promulgated under the Australian Corporations Act (together, the **Corporations Laws**). Citigroup Global Markets Limited hereby notifies all relevant persons that all services contemplated under this Prospectus are provided to the Issuer by Citigroup Global Markets Limited from outside of Australia and to the extent necessary, Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832 and Australian Financial Services Licence No. 240992) a related body corporate of Citigroup Global Markets Limited within the meaning of the Corporations Laws, has arranged for Citigroup Global Markets Limited to provide these services to the Issuer.

MiFID II PRODUCT GOVERNANCE/TARGET MARKET

The applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement, in respect of any Covered Bonds may include a legend entitled "MiFID II PRODUCT GOVERNANCE" which will outline the 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

Directive 2014/65/EU (as amended, **MiFID II**) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under the EU Delegated Directive 2017/593 (the **MiFID II Product Governance Rules**), any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise none of the Issuer, the Arranger, the Dealers and any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET

The applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement, in respect of any Covered Bonds may include a legend entitled "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 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 Issuer, the Arranger, the Dealers and any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

This Prospectus has been prepared on the basis that any Covered Bonds with a minimum denomination of less than €100,000 (or equivalent in another currency) will, with respect to the EEA, only be offered to the public in an EEA Member State pursuant to an exemption under Article 1(4) of the EU Prospectus Regulation.

IMPORTANT – EEA RETAIL INVESTORS

If the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement, in respect of any Covered Bonds includes a legend entitled "PROHIBITION OF SALES TO EEA RETAIL INVESTORS", the Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, 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. 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.

IMPORTANT – UK RETAIL INVESTORS

If the applicable Final Terms or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement, in respect of any Covered Bonds includes a legend entitled "PROHIBITION OF SALES TO UK RETAIL INVESTORS", the Covered Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a **retail investor** means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of UK MiFIR; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (the **POATRs**). Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook (**DISC**) for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

BENCHMARKS REGULATION

Amounts payable on certain Floating Rate Covered Bonds issued under the Programme may be calculated by reference to the Bank Bill Swap Rate (**BBSW**), the Euro Interbank Offered Rate (**EURIBOR**), the euro short-term rate (**€STR**), the Sterling Overnight Index Average (**SONIA**), the Secured Overnight Financing Rate (**SOFR**), the Singapore Overnight Rate Average (**SORA**), the Canadian Overnight Repo Rate Average (**CORRA**), the Tokyo Overnight Average Rate (**TONA**), the Norwegian Interbank Offered Rate (**NIBOR**), the Hong Kong Interbank Offered Rate for the offshore Chinese Renminbi (**CNH**) (**CNH HIBOR**), the Hong Kong Interbank Offered Rate (**HIBOR**), the New Zealand Bank Bill Benchmark Rate (**BKBM**) or the Swiss Average Rate Overnight (**SARON**), as specified in the applicable Final Terms or applicable Pricing Supplement. As at the date of this Prospectus, (i) the administrator of EURIBOR, European Money Markets Institute and the administrator of NIBOR, Norske Finansielle Referanser AS, are included in the ESMA register of administrators under Article 36 of the Regulation (EU) No. 2016/1011, as amended (the **EU Benchmarks Regulation**) and in the register of administrators established and maintained by the FCA pursuant to Article 36 of Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the EUWA (the **UK Benchmarks Regulation**); (ii) the administrator of BBSW, ASX Benchmarks Limited, the administrator of SARON, SIX Index AG and the administrator of BKBM, New Zealand Financial Benchmark Facility Limited are included in the ESMA register of administrators under Article 36 of the EU Benchmarks Regulation but not in the register of administrators established and maintained by the FCA pursuant to Article 36 of the UK Benchmarks Regulation; and (iii) the European Central Bank, the Bank of England, the Federal Reserve Bank of New York, the Monetary Authority of Singapore, the Bank of Canada, the Bank of Japan and Hong Kong Monetary Authority, as the administrators of €STR, SONIA, SOFR, SORA, CORRA, TONA, CNH HIBOR and HIBOR, respectively, are not included in such registers. As far as the Issuer is aware, (i) under Article 2 of the EU Benchmarks Regulation and the UK Benchmarks Regulation, the European Central Bank, the Bank of England, the Federal Reserve Bank of New York, the Monetary Authority of Singapore, the Bank of Canada, the Bank of Japan and Hong Kong Monetary Authority are not required to obtain authorisation or registration, and (ii) the transitional provisions in Article 51 of the UK Benchmarks Regulation apply, such that none of the other administrators are currently required to obtain authorisation or registration (or, if located outside the UK, recognition, endorsement or equivalence).

The registration status of any administrator under the EU Benchmarks Regulation or 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 applicable Final Terms or the applicable Pricing Supplement in respect of any Covered Bonds to reflect any change in the registration status of the administrator.

SECTION 309B NOTIFICATION

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as amended from time to time (the **SFA**), and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined, and hereby notifies all relevant persons as defined in Section 309A(1) of the SFA, unless otherwise stated in the applicable Final Terms or the Pricing Supplement in respect of any Covered Bonds, that all Covered Bonds issued or to be issued under the Programme are classified as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and 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).

SALES TO ONTARIO PERMITTED INVESTORS

The Covered Bonds may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Covered Bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that 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 or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the offering of any Covered Bonds.

NO ACQUISITIONS BY OFFSHORE ASSOCIATES OF THE ISSUER

Under current Australian law, interest and other amounts paid on the Covered Bonds by the Issuer will not be subject to Australian interest withholding tax if the Covered Bonds are issued in accordance with certain prescribed conditions set out in section 128F of the Income Tax Assessment Act 1936 (Cth). One of these conditions is that the Issuer must not know, or have reasonable grounds to suspect, that a Covered Bond, or an interest in a Covered Bond, was being, or would later be, acquired directly or indirectly by an Offshore Associate of the Issuer, other than in the capacity of a dealer, manager, or underwriter in relation to the placement of the relevant Covered Bond, or a clearing house, custodian, funds manager or responsible entity of a registered scheme. Accordingly, the Covered Bonds must not be acquired by an Offshore Associate of the Issuer (other than in these specified capacities). For these purposes, an Offshore Associate means an "associate" (as defined in section 128F(9) of the Income Tax Assessment Act 1936 (Cth)) who is either (i) a non-resident of Australia that does not acquire a Covered Bond, or an interest in a Covered Bond, in carrying on a business in Australia at or through a permanent establishment of the associate in Australia, or (ii) a resident of Australia that acquires a Covered Bond, or an interest in a Covered Bond, in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country. "Associate" is defined broadly and may include, but is not limited to, any entity that is under common control with the Issuer. Any prospective investor that believes that it may be affiliated with or related to any of the above-mentioned entities or who otherwise believes it may be an Offshore Associate of the Issuer, should make appropriate enquiries before investing in any of the Covered Bonds. For more details, please refer to "*Taxation – Australian Taxation*" at page 288 of this Prospectus.

U.S. INFORMATION

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

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

FORWARD-LOOKING STATEMENTS

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

Projections are necessarily speculative in nature, and some or all of the assumptions underlying the projections may not materialise or may vary significantly from actual results. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) changes in political, social, credit, liquidity, investor confidence and economic conditions in Australia, New Zealand and elsewhere where the Group or its customers operate or raise funds; the impact of changes in the value of the Australian dollar and the other currencies in which the Group or its customers operate or raise funds; global credit and equity market conditions; the impact of natural disasters, such as the Queensland floods and Christchurch earthquakes; demographic changes; technological changes; changes in competitive conditions in Australia, New Zealand, Asia, the United States or the UK; changes in the regulatory structure of the banking, life insurance and funds management industries in Australia, New Zealand, the UK or Asia; changes in global credit market conditions

including funding costs, credit ratings and access; regulatory proposals for reform of the banking, life insurance and funds management industries in Australia, and various other factors beyond the Group's control. Given these risks, uncertainties and other factors, potential investors are cautioned not to place undue reliance on such forward-looking statements. Details on significant risk factors applicable to the Issuer and the Covered Bond Guarantor are detailed under the section "*Risk Factors*" in this Prospectus.

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

None of the Arranger, the Dealers, the Lead Manager (if applicable), the Issuer, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee nor any other party to a Programme Document has any obligation to update or otherwise revise any projections, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Prospectus or to reflect the occurrence of unanticipated events, even if the underlying assumptions do not come to fruition.

GLOSSARY

Unless otherwise indicated, capitalised terms used in this Prospectus have the meaning set out in this Prospectus. A glossary of defined terms appears at the back of this Prospectus in the section entitled "*Glossary*".

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PRINCIPAL CHARACTERISTICS OF THE CBA COVERED BOND PROGRAMME

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

Issuer:	Commonwealth Bank of Australia ABN 48 123 123 124.
Issuer's Legal Entity Identifier (LEI):	MSFSBD3QN1GSN7Q6C537.
Covered Bond Guarantor:	Perpetual Corporate Trust Limited ABN 99 000 341 533 in its capacity as trustee of the Trust.
Nature of eligible property:	Mortgage Loan Rights, Substitution Assets and Authorised Investments.
Location of eligible property:	Australia.
Asset Coverage Test:	Yes, see the sections "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" and "*Credit Structure – Asset Coverage Test*" in this Prospectus for further information.
Amortisation Test:	Yes, see the sections "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*" and "*Credit Structure – Amortisation Test*" in this Prospectus for further information.
Pre-Maturity Test:	Yes, see the section "*Credit Structure – Pre-Maturity Test*" in this Prospectus.
Reserve Fund:	A Reserve Fund to be funded from the Available Income Amounts or the proceeds of a Term Advance or Demand Loan Advance will be established if the Issuer's credit ratings fall below the Moody's Specified Rating and/or the Fitch Specified Rating.
Maximum Asset Percentage:	95%.
Extendable Maturities:	Available.
Hard Bullet Maturities:	Available.
Cover Pool Monitor:	PricewaterhouseCoopers ABN 52 780 433 757.
Asset Segregation:	Yes.
Terms:	As set out in the applicable Final Terms for the relevant Series or Tranche of Covered Bonds (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Clearing Systems:	Covered Bonds may be traded on the settlement system operated by Euroclear, the settlement system operated by Clearstream, Luxembourg and/or any other clearing system outside Australia specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). The Issuer announces that: (a) each Tranche of Bearer Covered Bonds will be initially issued in the form of a temporary global covered bond without interest coupons attached (a **Temporary Bearer Global Covered Bond**) which will be issued to and lodged on or prior to the issue date of the relevant Tranche to a common depositary for Euroclear and Clearstream, Luxembourg; (b) in connection with the issue, Euroclear and Clearstream, Luxembourg will confer rights in relation to such Bearer Covered Bonds and will record the existence of those rights and (c) as a result of the issue

	of such Bearer Covered Bonds in this manner, these rights will be able to be created. N Covered Bonds will not be traded on any clearing system.
Listing:	Application will be made by the Issuer to the FCA for Covered Bonds issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Covered Bonds to be admitted to trading on the London Stock Exchange's main market during the period of 12 months from the date of this Prospectus. Neither Perpetual Corporate Trust Limited (in its personal capacity or as Covered Bond Guarantor) nor P.T. Limited (in its personal capacity or as Security Trustee) have made or authorised the application to admit Covered Bonds issued under the Programme to the Official List or to admit the Covered Bonds to trading on the London Stock Exchange's main market. Exempt Covered Bonds may be unlisted or may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or regulated or unregulated markets, as may be agreed between the Issuer and the Relevant Dealer(s) or Lead Manager in relation to each issue. The applicable Pricing Supplement, in the case of Exempt Covered Bonds will state whether or not the relevant Exempt Covered Bonds are to be listed and/or admitted to trading and, if so, on which stock exchange(s) and/or markets. N Covered Bonds will not be listed and/or admitted to trading.

DOCUMENTS INCORPORATED BY REFERENCE

The following information, each of which has been previously published, shall be incorporated in, and form part of, this Prospectus:

(a) the Bank's audited annual consolidated and non-consolidated financial statements (including the auditor's report thereon and notes thereto) in respect of the years ended 30 June 2025 (as set out on pages 221 to 364 (inclusive) and on pages 369 to 376 (inclusive) of the 2025 annual report of the Issuer, respectively) (available at: https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/results/fy25/2025-annual-report.pdf) and 30 June 2024 (as set out on pages 135 to 285 (inclusive) and pages 290 to 297 (inclusive) of the 2024 annual report of the Issuer, respectively) (available at: https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/results/fy24/2024-Annual-Report_spreads.pdf);

(b) the Bank's unaudited consolidated interim financial statements and the auditor's review report thereon as at and for the half year ended 31 December 2025 (as set out on pages 65 to 109 (inclusive) and on pages 111 to 113 (inclusive) of the Profit Announcement of the Bank dated 11 February 2026) and available at https://www.commbank.com.au/content/dam/commbank-assets/investors/2026/CBA%202026%20Half%20Year%20Results%20Profit%20Announcement.pdf (the **HY 2026 Financial Statements**);

(c) the audited financial statements of the Trust (including the auditor's report and the notes thereto) in respect of the financial years ended 30 June 2025 and 30 June 2024 available at https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/CBT-FY25-signed.pdf and https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/CBT-FY24-signed.pdf;

(d) the cover pool information as set out on pages 2 to 7 (inclusive) of the Bank's Investor Report dated 17 June 2026 for the period ended 31 May 2026 available at https://www.commbank.com.au/content/dam/commbank-assets/investors/2026/CBT01_CBInvestorReport_22Jun2026.pdf; and

(e) the terms and conditions of the Covered Bonds contained in the following prospectuses:

(i) the base prospectus dated 16 November 2011, pages 93 to 131 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank/about-us/group-funding/articles/cba-covered-bonds-uk-prospectus-nov-2011.pdf);

(ii) the base prospectus dated 16 November 2012, pages 67 to 103 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank/about-us/group-funding/articles/CBA_Euro-Covered-Bond-Programme-Prospectus-161112.pdf);

(iii) the base prospectus dated 14 November 2014, pages 84 to 120 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank/about-us/group-funding/articles/AU-4880540-v1-CBA_CB_Nov_2014_Update_-_Final_Base_Prospectus_with_Important_Notice_dated_14_11_2014.pdf);

(iv) the base prospectus dated 13 November 2015, pages 86 to 122 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank/about-us/group-funding/articles/CBA%20Euro%20Covered%20Bond%20Prospectus%2013%20November%202015.pdf);

(v) the base prospectus dated 23 November 2016, pages 87 to 124 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank/about-us/group-funding/articles/AU-7453176-v1-CB_CB_Programme_November_2016_-_Base_Prospectus_with_Important_Notice.pdf);

(vi) the base prospectus dated 22 November 2017, pages 88 to 124 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank/about-us/group-funding/articles/AU-8880986-v1-CBA_CB_Programme_Update_2017_-_Base_Prospectus_with_Important_Notice.pdf);

(vii) the base prospectus dated 3 December 2018, pages 101 to 148 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank/about-us/group-funding/articles/AU-10322200-v1-CBA_CB_Update_-_Base_Prospectus_(WITH_important_notice).PDF);

(viii) the base prospectus dated 9 July 2021, pages 105 to 158 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/CBA-Euro-Covered-Bond-Prospectus-9-July-2021.pdf);

(ix) the base prospectus dated 20 July 2022, pages 109 to 162 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/CBA-CB-Programme-2022-Base-Prospectus-dated-20-July-2022.pdf);

(x) the base prospectus dated 20 July 2023, pages 108 to 181 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/CBA-Euro-Covered-Bond-Prospectus-20-July-2023.pdf);

(xi) the base prospectus dated 22 July 2024, pages 110 to 189 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/CBA-Euro-Covered-Bond-Prospectus-22-July-2024.pdf); and

(xii) the base prospectus dated 22 July 2025, pages 110 to 195 (inclusive) (available at https://www.commbank.com.au/content/dam/commbank-assets/investors/docs/covered-bonds/cba-cb-programme-2025-update-base-prospectus.pdf),

in each case, prepared by the Bank in connection with the Programme.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus will not form part of this Prospectus.

The documents to be incorporated by reference herein listed in paragraphs (a) to (e) above can also be viewed online at https://www.commbank.com.au/about-us/group-funding/covered-bonds.html.

Any non-incorporated parts of a document referred to herein are either (i) not considered by the Issuer to be relevant for prospective investors in the Covered Bonds to be issued under the Programme or (ii) covered elsewhere in this Prospectus.

In addition to the above, the following information shall be incorporated in, and form part of, this Prospectus as and when it is published during the period of 12 months from the date of this Prospectus on https://www.commbank.com.au/about-us/investors/results.html and will also be made available via the regulatory news service maintained by the London Stock Exchange (https://www.londonstockexchange.com/):

a) the information set out in the following sections of any annual report published by the Bank after the date of this Prospectus, including the audited consolidated and non-consolidated annual financial statements of the Bank and the auditors' report thereon:

i) Income Statements;

ii) Statements of Comprehensive Income;

iii) Balance Sheets;

iv) Statements of Changes in Equity;

v) Statements of Cash Flows;

vi) Notes to the Financial Statements; and

vii) Independent Auditor's Report;

b) the information set out in the following sections of any Profit Announcement published by the Bank after the date of this Prospectus, including the unaudited consolidated interim financial statements of the Bank and the auditor's review report thereon:

i) Consolidated Income Statement;

ii) Consolidated Statement of Comprehensive Income;

iii) Consolidated Balance Sheet;

iv) Consolidated Statement of Changes in Equity;

v) Consolidated Statement of Cash Flows;

vi) Notes to the Financial Statements; and

vii) Independent Auditor's Report; and

c) the audited annual financial statements of the Trust (including the auditor's report and the notes thereto) published after the date of this Prospectus.

Information incorporated by reference pursuant to (a), (b) and (c) above shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus.

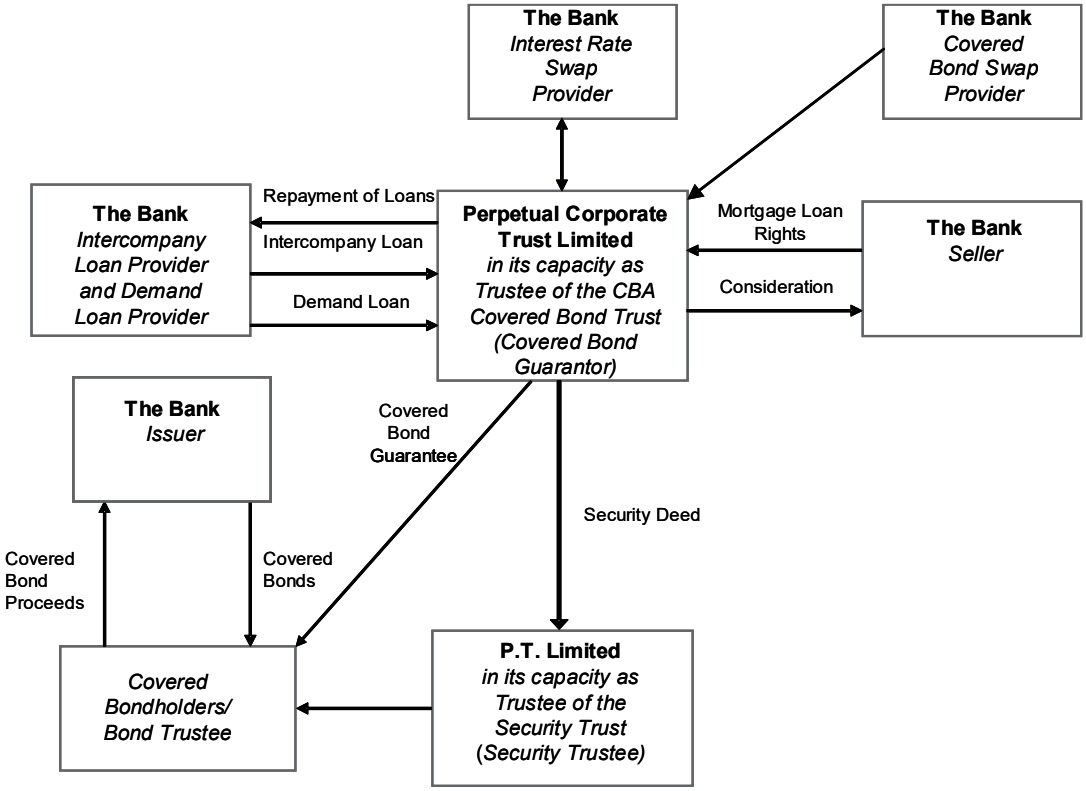
Following the publication of this Prospectus, a supplement may be prepared by the Issuer and approved by the FCA in accordance with PRM 10.1. Statements contained in any such supplement (or contained in any information incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in information which is incorporated by reference in this Prospectus. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Covered Bonds issued by it, prepare a supplement to this Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Covered Bonds. The Issuer has undertaken to the Dealers in the Programme Agreement (as defined in "*Subscription and Sale and Selling Restrictions*") that it will comply with PRM 10.1.

STRUCTURE OVERVIEW

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

Structure Diagram



Credit Structure

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

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

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

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

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

(d) the Amortisation Test is intended to test, on a monthly basis, following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice

on the Covered Bond Guarantor and the Issuer), the asset coverage of the Assets of the Trust held from time to time by the Covered Bond Guarantor in respect of the Covered Bonds;

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

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

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

Asset Coverage Test

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

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

Amortisation Test

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

Legislated Collateralisation Test

In addition to the Asset Coverage Test and the Amortisation Test, the Programme benefits from the Issuer's obligation to comply with the minimum over-collateralisation requirements set out in the Australian Banking Act

and, for that purpose, the Legislated Collateralisation Test as described in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus. As the Legislated Collateralisation Test is a minimum requirement, the Issuer expects that the Legislated Collateralisation Test will be satisfied in all circumstances in which the Asset Coverage Test or the Amortisation Test, as applicable, is satisfied.

Pre-Maturity Test

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

As at the date of this Prospectus, the Pre-Maturity Test has not been breached in relation to any outstanding Series of Hard Bullet Covered Bonds.

Extendable obligations under the Covered Bond Guarantee

An Extended Due for Payment Date may be specified as applying in relation to a Series of Covered Bonds in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement). This means that if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on the Final Maturity Date (subject to applicable grace periods) and if the Covered Bond Guarantor, following service of a Notice to Pay, fails to pay the Guaranteed Amounts equal to the unpaid portion of the Final Redemption Amount of the relevant Series of Covered Bonds in full by the Extension Determination Date (for example, because following the service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor has insufficient moneys available in accordance with the Guarantee Priority of Payments to pay in full the Guaranteed Amounts corresponding to the unpaid portion of the Final Redemption Amount of the relevant Series of Covered Bonds) then payment of the unpaid amount pursuant to the Covered Bond Guarantee will be automatically deferred (without a Covered Bond Guarantor Event of Default occurring as a result of such non payment) and will be due and payable on the Extended Due for Payment Date (subject to any applicable grace period). However, to the extent that moneys are available in accordance with the Guarantee Priority of Payments, any amount representing the Final Redemption Amount due and remaining unpaid on the Extension Determination Date may be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter, up to (and including) the relevant Extended Due for Payment Date. Interest will continue to accrue on any unpaid amount during such extended period and be payable on the Original Due for Payment Date and on the Extended Due for Payment Date in accordance with Condition 4 of the Programme Conditions and clause 3 of the N Covered Bond Confirmation Terms (as applicable).

Reserve Fund

The Covered Bond Guarantor may be required, on a Distribution Date, to deposit into the GIC Account (with a corresponding credit to the Reserve Ledger) any Available Income Amount or the relevant proceeds of a Term Advance or Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount. The Reserve Fund Required Amount on any day will depend on the credit ratings of the Issuer. If the Issuer's short-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least F1+ by Fitch (the **Fitch Specified Rating**) and at least P-1 by Moody's (the **Moody's Specified Rating**), the Reserve Fund Required Amount is nil (or such other amount as the Issuer notifies the Covered Bond Guarantor). If the Issuer is not rated the Fitch Specified Rating and/or the Moody's Specified Rating the determination of the Reserve Fund Required Amount will depend on the relevant rating trigger(s) not met.

The Programme

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

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

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

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

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

Covered Bonds issued under the Programme

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

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

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

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

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

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

There is no assurance that the issue of a further Series of Covered Bonds will not be ultimately adverse to the interests of any existing holder of Covered Bonds because, for instance, the level of collateralisation in the cover pool is reduced or because of the timing subordination risk (as described in the section "*Risk Factors – Risk*

Factors relating to the nature of the Covered Bonds – Final Maturity Date and extendable obligations under the Covered Bond Guarantee" in this Prospectus). See also the section "*Risk Factors – APRA's powers under the Australian Banking Act – Power to prevent further issue of covered bonds*" below in relation to restrictions on the Bank (as Issuer) from issuing covered bonds under the Australian Banking Act.

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

Intercompany Loan Agreement

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

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

Demand Loan Agreement

Pursuant to the Demand Loan Agreement, the Bank as Demand Loan Provider will make a Demand Loan Facility available to the Covered Bond Guarantor. The Covered Bond Guarantor may draw Demand Loan Advances denominated in Australian Dollars from time to time under the Demand Loan Facility. The Demand Loan Facility is a revolving credit facility. Demand Loan Advances may only be used by the Covered Bond Guarantor: (i) to fund (in whole or in part) the Consideration payable to the Seller for the acquisition of Mortgage Loan Rights from the Seller on a Closing Date to the extent the aggregate of the proceeds of a Term Advance and/or the Available Principal Amount on that date are not sufficient to pay such Consideration; (ii) to repay a Term Advance on the date on which the Series of Covered Bonds corresponding to such Term Advance matures; (iii) to rectify a failure to meet the Asset Coverage Test, such funds to be deposited into the GIC Account, invested in Substitution Assets (not exceeding the prescribed limit described in the section "*Overview of the Principal Documents – Establishment Deed – Limit on Investing in Substitution Assets and Authorised Investments*" in this Prospectus) and/or used to purchase Mortgage Loan Rights from the Seller; (iv) to rectify a breach of the Pre-Maturity Test; (v) to rectify an Interest Rate Shortfall; (vi) to make a deposit to the OC Account if agreed between the Trust Manager and the Demand Loan Provider; or (vii) for any other purpose whatsoever as may be agreed from time to time between the Covered Bond Guarantor (acting on the directions of the Trust Manager) and the Demand Loan Provider (including, without limitation, to fund the Reserve Fund if required). Each Demand Loan Advance will be consolidated to form the Demand Loan.

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

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

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

(B) on any Local Business Day, by the Demand Loan Provider (in its capacity as the Account Bank in respect of the OC Account) setting-off the balance standing to the credit of the OC Account against the repayment amount (if the Local Business Day is a Distribution Date, in priority to amounts owed by the Covered Bond Guarantor under the Intercompany Loan Agreement and the Covered Bond Guarantee); or

(C) on any Distribution Date, by an in specie distribution of Mortgage Loan Rights (the value of which will be determined by reference to the Current Principal Balance plus arrears of interest and accrued interest thereon in respect of the corresponding Mortgage Loans calculated as at the date of the relevant in specie distribution) to the Demand Loan Provider in priority to amounts owed by the Covered Bond Guarantor under the Intercompany Loan Agreement and the Covered Bond Guarantee; or

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

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

Mortgage Sale Agreement

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

Under the terms of the Mortgage Sale Agreement, the consideration payable to the Seller for the sale of Mortgage Loan Rights, originated by the Seller, to the Covered Bond Guarantor will be a payment paid by the Covered Bond Guarantor to the Seller on the applicable Closing Date (except to the extent the Seller and the Covered Bond Guarantor have agreed that the Consideration will be set-off against any amount payable on the relevant Closing Date by the Bank as Intercompany Loan Provider and/or Demand Loan Provider).

Servicing Deed

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

Covered Bond Guarantee

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

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

Covered Bond Guarantor's Liability

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

In relation to the Trust, no party to a Programme Document other than the Covered Bond Guarantor may sue the Covered Bond Guarantor in any capacity other than as trustee of the Trust, including seeking the appointment of a receiver (except in relation to the Assets of the Trust), a liquidator, an administrator or any similar person to the Covered Bond Guarantor or prove in any liquidation, administration or arrangements of or affecting the Covered Bond Guarantor (except in relation to the Assets of the Trust).

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

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

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

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

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

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

Following service of an Issuer Acceleration Notice and a Notice to Pay, any moneys received by the Bond Trustee from the Issuer (or any administrator, receiver, manager, liquidator, controller, statutory manager or other similar

official appointed in relation to the Issuer) (**Excess Proceeds**) will be paid by the Bond Trustee to the Covered Bond Guarantor and shall be used by the Covered Bond Guarantor in the same manner as all other moneys standing to the credit of the GIC Account pursuant to the Security Deed and the Establishment Deed.

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

Security Deed

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

Security Trustee's Liability

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

Priorities of Payment

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

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

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

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

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

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

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

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

Application of moneys following service of a Notice to Pay

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

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

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

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

Following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Covered Bonds will become

immediately due and repayable (if not already due and payable as against the Issuer) and each of the Bond Trustee and the Security Trustee may or must take such proceedings or steps in accordance with the first and third paragraphs, respectively, of Condition 9.3 of the Programme Conditions and the Bond Trustee (for the benefit of the Covered Bondholders) will have a claim against the Covered Bond Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount in respect of each Covered Bond of each Series together with accrued interest and any other amount due under the Covered Bonds (other than additional amounts payable by the Issuer under Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable)) and the Security created by the Covered Bond Guarantor over the Charged Property will become enforceable (if not already realised). Any moneys received or recovered by the Security Trustee (or a Receiver) following service of a Covered Bond Guarantee Acceleration Notice, together with any applicable In Specie Mortgage Loan Rights and the amount standing to the credit of the OC Account, will be distributed according to the Post-Enforcement Priority of Payments (other than Third Party Amounts due to the Seller and any Swap Collateral Excluded Amounts due to the relevant Swap Providers by the Covered Bond Guarantor under the relevant Swap Agreements, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements).

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

PROGRAMME OVERVIEW

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

This Overview constitutes a general description of the Programme for the purposes of Appendix 1, Annex 3.2 of the PRM.

The Parties

Issuer:	Commonwealth Bank of Australia ABN 48 123 123 124, incorporated as a company with limited liability in the Commonwealth of Australia and having an office at Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000, Australia. For a more detailed description of the Issuer see "*Commonwealth Bank of Australia*".
Issuer Legal Entity Identifier:	MSFSBD3QN1GSN7Q6C537.
Covered Bond Guarantor:	Perpetual Corporate Trust Limited ABN 99 000 341 533, incorporated as a company with limited liability in the Commonwealth of Australia and having an office at Level 14, 123 Pitt Street, Sydney NSW 2000, Australia, in its capacity as trustee of the CBA Covered Bond Trust. In its capacity as trustee of the Trust, the Covered Bond Guarantor's principal business is to acquire, *inter alia*, Mortgage Loan Rights from the Seller pursuant to the terms of the Mortgage Sale Agreement and to guarantee certain payments in respect of the Covered Bonds. The Covered Bond Guarantor will hold the Mortgage Loan Rights forming part of the Assets of the Trust and the other Charged Property in accordance with the terms of the Programme Documents. The Covered Bond Guarantor has provided a guarantee covering all Guaranteed Amounts when the same become Due for Payment, but only following service on the Issuer of an Issuer Acceleration Notice and service on the Covered Bond Guarantor of a Notice to Pay, or if earlier, service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and the other Programme Documents to which it is a party are secured by the Security Deed over the Charged Property from time to time of the Covered Bond Guarantor. The liability of the Covered Bond Guarantor to make payments under the Programme Documents (including under the Covered Bond Guarantee) is limited to its right of indemnity from the Assets of the Trust. Except in the case of, and to the extent that the Covered Bond Guarantor's right of indemnification against the Assets of the Trust is reduced as a result of fraud, negligence or wilful default, no rights may be enforced against the personal assets of the Covered Bond Guarantor by any person and no proceedings may be brought against the Covered Bond Guarantor except to the extent of the Covered Bond Guarantor's right of indemnity and reimbursement out of the Assets of the Trust. Other than in the exception previously

	mentioned, the personal assets of the Covered Bond Guarantor are not available to meet payments under the Covered Bond Guarantee.
The Trust:	The CBA Covered Bond Trust is established for purposes relating only to the Covered Bonds, including (without limitation) the acquisition, management and sale of, amongst other things, Mortgage Loan Rights, the borrowing of moneys to fund the acquisition of such assets, the hedging of risks associated with such assets and such funding, the acquisition, management and sale of Substitution Assets and Authorised Investments, the giving of guarantees in respect of any Covered Bonds issued by the Issuer, the granting of security to secure repayment of Covered Bonds and other liabilities in connection with the Programme and any purpose which is ancillary or incidental to any of the foregoing.
The Bank:	Commonwealth Bank of Australia ABN 48 123 123 124.
The Capital Unitholder:	The Bank.
The Income Unitholder:	The Bank.
Trust Manager:	Securitisation Advisory Services Pty. Limited ABN 88 064 133 946 (**SASPL**).
Seller:	The Bank.
Servicer / Interest Rate Swap Provider / Covered Bond Swap Provider / Account Bank / Intercompany Loan Provider / Demand Loan Provider:	The Bank.
Bond Trustee:	Deutsche Trustee Company Limited.
Security Trustee:	P.T. Limited ABN 67 004 454 666.
Cover Pool Monitor:	PricewaterhouseCoopers ABN 52 780 433 757.
Arranger:	Commonwealth Bank of Australia.
Dealers:	Bank of Montreal, London Branch; Barclays Bank PLC; BNP PARIBAS; Citigroup Global Markets Limited; Commonwealth Bank of Australia; Crédit Agricole Corporate and Investment Bank; Deutsche Bank Aktiengesellschaft; DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main; Goldman Sachs International; HSBC Bank plc; J.P. Morgan Securities plc; Landesbank Baden-Württemberg; Morgan Stanley & Co. International plc; Natixis; Nomura International plc; RBC Europe Limited; Société Générale; Standard Chartered Bank; The Toronto-Dominion Bank; UBS AG London Branch;

	and any other Dealers appointed in accordance with the Programme Agreement.
Principal Paying Agent / Exchange Agent:	Deutsche Bank AG, London Branch.
U.S. Paying Agent / U.S. Transfer Agent / U.S. Registrar:	Deutsche Bank Trust Company Americas.
Registrar / Transfer Agent:	Deutsche Bank Luxembourg, S.A.
N Covered Bond Paying Agent / N Covered Bond Registrar:	Citibank, N.A., London Branch.
Rating Agencies:	Fitch Australia Pty Ltd ABN 93 081 339 184. Moody's Investors Service Pty Ltd ABN 61 003 399 657.
The Covered Bonds	
Programme Size:	Up to U.S.$40,000,000,000 (or its equivalent in other currencies determined in relation to a Tranche of Covered Bonds by reference to the spot rate for the sale of U.S. dollars against the purchase of the currency of such Covered Bonds in the London foreign exchange market quoted by any leading bank selected by the Issuer on the date of the agreement to issue such Covered Bonds between the Issuer and the Relevant Dealer(s)) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement and the U.S. Distribution Agreement.
Distribution:	Covered Bonds may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis, subject to the restrictions set forth in "*Subscription and Sale and Selling Restrictions*" below.
Specified Currencies:	Subject to any applicable legal or regulatory restrictions, Covered Bonds may be issued in such currency or currencies as may be agreed from time to time by the Issuer, the Relevant Dealer(s), the Principal Paying Agent and the Bond Trustee (as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).
Certain Restrictions:	Each issue of Covered Bonds denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale and Selling Restrictions*").
Issue Price:	Covered Bonds may be issued at par or at a premium or discount to par on a fully-paid basis or partly-paid basis (as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).
Form of Covered Bonds:	The Covered Bonds will be issued in bearer or registered form as described in "*Form of the Covered Bonds*". Registered Covered Bonds will not be exchangeable for Bearer Covered Bonds and Bearer Covered Bonds will not be exchangeable for Registered Covered Bonds. Interest on Covered Bonds in bearer form will only be payable outside the United States and its possessions.

	Covered Bonds may be Fixed Rate Covered Bonds or Floating Rate Covered Bonds, depending on the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), and subject, in each case, to issuance of a Rating Affirmation Notice by the Issuer. The Issuer will also be able to issue N Covered Bonds in the form of Registered Definitive Covered Bonds.
Fixed Rate Covered Bonds:	Fixed Rate Covered Bonds will bear interest at a fixed rate which will be payable on such date or dates as may be agreed between the Issuer and the Relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the Relevant Dealer(s) (in each case as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).
Floating Rate Covered Bonds:	Floating Rate Covered Bonds will bear interest at a rate determined on the basis of the reference rate set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, 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, as may be agreed between the Issuer and the Relevant Dealer(s). 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)).
Benchmark Discontinuation:	In the case of Floating Rate Covered Bonds (other than where the Reference Rate is specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) as being Compounded Daily SOFR, Compounded Daily SORA, Compounded Daily CORRA, BBSW Rate or SARON Compounded, in which case the provisions of Conditions 4.2(f)(ii), 4.2(g)(iii), 4.2(h)(iii), 4.2(k)(2) and 4.2(m), respectively, shall apply instead), if the Issuer, acting in good faith and in a commercially reasonable manner, determines that a Benchmark Event (as defined in the Conditions of the Covered Bonds) has occurred, the relevant benchmark or screen rate will be replaced by a Successor Rate (as defined in the Conditions of the Covered Bonds) or, if there is no Successor Rate but the Issuer determines there is an Alternative Rate (as defined in the Conditions of the Covered Bonds), by such Alternative Rate. An Adjustment Spread (as defined in the Conditions of the Covered Bonds) may also be applied to the Successor Rate or the Alternative Rate, as the case may be, subject (where not formally recommended or provided for) to a determination made by the Issuer. Benchmark Amendments (being amendments to the Conditions, the Bond Trust Deed and/ or the Principal Agency Agreement, the Calculation Agent, as applicable, necessary to ensure the proper operation of any Successor Rate, Alternative Rate and/or Adjustment Spread) as determined by the Issuer, may be agreed by the Issuer, the Bond Trustee and the Agents, without the consent or approval of the Covered Bondholders. Any determination by the Issuer in relation to Alternative Rates, Adjustment Spread (where applicable) and

	Benchmark Amendments is required to be made by it 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 (as defined in the Conditions of the Covered Bonds)). For further information, see Condition 4.7 (*Benchmark Discontinuation*).
Exempt Covered Bonds:	The Issuer may agree with any Relevant Dealer(s) that Exempt Covered Bonds may be issued in a form not contemplated by the Conditions, in which event the relevant provisions will be included in the applicable Pricing Supplement.
Hard Bullet Covered Bonds:	Hard Bullet Covered Bonds may be offered and will be subject to a Pre-Maturity Test. The intention of the Pre-Maturity Test is to provide liquidity for the Hard Bullet Covered Bonds if the Issuer's credit ratings have fallen below a certain level.
Maturities:	Subject to compliance with all applicable legal, regulatory and/or central bank requirements, Covered Bonds may be issued with such maturities as may be agreed between the Issuer and the Relevant Dealer(s) (as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement)).
Redemption:	The applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for a Series of Covered Bonds will indicate either that the relevant Covered Bonds of such Series cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or if it becomes unlawful for any Term Advance or the Demand Loan to remain outstanding) or that such Covered Bonds will be redeemable at the option of the Issuer upon giving notice to the Covered Bondholders, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the Relevant Dealer(s) or that such Covered Bonds will be redeemable at the option of the Covered Bondholders upon giving notice to the Issuer, on a date or dates specified prior to such stated maturity and at their Optional Redemption Amount as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Final Redemption:	Unless an Extended Due for Payment Date is specified as applicable in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for a Series of Covered Bonds, if that Series of Covered Bonds has not already been redeemed or purchased and cancelled in full in accordance with their terms and conditions, those Covered Bonds will be redeemed at their Final Redemption Amount on the Final Maturity Date for such Covered Bonds, as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Use of Proceeds:	The net proceeds from each issue of Covered Bonds will be applied by the Issuer for its general corporate purposes, unless stated otherwise in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).
Extendable obligations under the Covered Bond Guarantee:	If an Extended Due for Payment Date is specified as applicable in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for a Series of Covered Bonds and (i) the Issuer fails to pay, in full, the Final Redemption Amount for such Covered Bonds on the Final Maturity Date for such

	Covered Bonds (or by the end of the applicable grace period) and (ii) following the service of a Notice to Pay on the Covered Bond Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Covered Bond Guarantor has insufficient moneys available under the Guarantee Priority of Payments to pay, in full, the Guaranteed Amounts equal to the unpaid portion of such Final Redemption Amount by the earlier of (a) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor (or if later, the Final Maturity Date) under the terms of the Covered Bond Guarantee and (b) the Extension Determination Date for such Covered Bonds in accordance with the terms of the Covered Bond Guarantee (for example because, following the service of a Notice to Pay on the Covered Bond Guarantor, there are insufficient moneys available to it to pay, in accordance with the Guarantee Priority of Payments, such Guaranteed Amounts in full), then the obligation of the Covered Bond Guarantor to pay the unpaid portion of such Guaranteed Amount, or any part thereof will be deferred (and a Covered Bond Guarantor Event of Default will not occur as a result of such failure) until the Interest Payment Date thereafter on which sufficient moneys are available (after providing for liabilities ranking in priority thereto or *pari passu* therewith subject to and in accordance with the Guarantee Priority of Payments) to fund the payment of such unpaid portion, or any part thereof, provided that such payment shall not be deferred beyond the Extended Due for Payment Date when the unpaid portion of such Guaranteed Amount (together with accrued interest) will be due and payable. Interest will accrue on any such unpaid portion during such extended period and will be due and payable on each Interest Payment Date up to, and including, the Extended Due for Payment Date in accordance with Condition 4 of the Programme Conditions and clause 3.3 of the N Covered Bond Confirmation Terms (as applicable). For further information see the section "*Risk Factors – Final Maturity Date and extendable obligations under the Covered Bond Guarantee*" in this Prospectus.
Denomination of Covered Bonds:	The Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the Relevant Dealer(s) and set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) except that the minimum denomination of each Covered Bond will be €100,000 (or, if the Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency) 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 and, in the case of Covered Bonds offered in Australia, the minimum subscription amount in respect of an issue is A$500,000 (disregarding any amount lent by the offeror, the issuer or any associated person of the offeror or issuer) or the offer otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Australian Corporations Act and the offer is not made to a person who is a "retail client" within the meaning of section 761G of the Australian Corporations Act.
Taxation:	All payments in respect of principal and interest on the Covered Bonds will be made without deduction or withholding for or on account of any taxes whatsoever, subject as provided in Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable). If any such deduction or withholding is made by the Issuer, the Issuer will, except in the

	specified circumstances provided in Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable), pay additional amounts in respect of the amounts so deducted or withheld. If any payments made by the Covered Bond Guarantor under the Covered Bond Guarantee are or become subject to any such withholding or deduction, the Covered Bond Guarantor will not be obliged to pay any additional amount as a consequence under Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable). The Guaranteed Amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee will not include any additional amounts the Issuer would be obliged to pay as a result of any deduction or withholding in accordance with Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable). For a further discussion of any withholding tax obligations see the section "*Taxation*" in this Prospectus.
Payments under Covered Bond Guarantee:	If a Notice to Pay is served in respect of any Series of Covered Bonds, then the Covered Bond Guarantor will be required to make payments of Guaranteed Amounts in respect of all Series of Covered Bonds outstanding when the same becomes Due for Payment in accordance with the terms of the Covered Bond Guarantee. If a Covered Bond Guarantee Acceleration Notice is served in respect of any Series of Covered Bonds, then the obligation of the Covered Bond Guarantor to pay Guaranteed Amounts in respect of all Series of Covered Bonds outstanding will be accelerated.
Status of the Covered Bonds:	The Covered Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* without any preference or priority among themselves and at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer (other than any obligation preferred by mandatory provisions of applicable law including, without limitation, sections 13A and 16 of the Australian Banking Act and section 86 of the Australian Reserve Bank Act), from time to time outstanding. The Covered Bonds will not be protected accounts or deposit liabilities of the Issuer for the purposes of the Australian Banking Act. In addition, the Issuer's indebtedness in respect of the Covered Bonds is not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction.
Covered Bond Guarantee:	Payment of Guaranteed Amounts in respect of the Covered Bonds when Due for Payment will be unconditionally and irrevocably guaranteed by the Covered Bond Guarantor under the Covered Bond Guarantee. The Covered Bond Guarantor will be under no obligation to make payment in respect of the Guaranteed Amounts when Due for Payment unless (i) an Issuer Event of Default has occurred, an Issuer Acceleration Notice is served on the Issuer by the Bond Trustee and a Notice to Pay is served on the Covered Bond Guarantor, or (ii) a Covered Bond Guarantor Event of Default has occurred and a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor and the Issuer by the Bond Trustee. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will accelerate against the Covered Bond Guarantor and the Guaranteed Amounts will become immediately due and payable upon the service of a Covered Bond Guarantee

Acceleration Notice. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute (following service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice) direct and unconditional obligations of the Covered Bond Guarantor secured against the Assets of the Trust held from time to time by the Covered Bond Guarantor as provided in the Security Deed.

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

Ratings:

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

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

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

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

	Credit ratings are not a recommendation or suggestion, directly or indirectly, to any investor or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. The Rating Agencies are not advisers, and nor do the Rating Agencies provide investors or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A credit rating should not be viewed as a replacement for such advice or services.
Listing and admission to trading:	Application has been made by the Issuer to the FCA for Covered Bonds issued under the Programme to be admitted to, during the period of 12 months from the date of this Prospectus, the Official List and to the London Stock Exchange for such Covered Bonds to be admitted to trading on the London Stock Exchange's main market. Exempt Covered Bonds may be unlisted or may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or regulated or unregulated markets, as may be agreed between the Issuer, the Covered Bond Guarantor, the Bond Trustee and the Relevant Dealer in relation to each issue. The applicable Pricing Supplement, in the case of Exempt Covered Bonds will state whether or not the Covered Bonds are to be listed and/or admitted to trading and, if so, on which stock exchange(s) and/or markets. N Covered Bonds will not be listed and/or admitted to trading.
Governing Law:	The Programme Agreement and any non-contractual obligations arising out of or in connection with it will be governed by, and construed in accordance with, English law. The Establishment Deed, the Mortgage Sale Agreement, the Servicing Deed, the Intercompany Loan Agreement, the Demand Loan Agreement, the Management Agreement, the Security Deed, the Definitions Schedule, the Cover Pool Monitor Agreement and the Account Bank Agreement, the Interest Rate Swap Agreement and each Covered Bond Swap Agreement are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia. Unless specifically stated to the contrary in the relevant document (as detailed in the following paragraphs), the Bond Trust Deed (including the Covered Bond Guarantee), the Principal Agency Agreement, the Covered Bonds (other than any A$ Registered Covered Bonds and any N Covered Bonds), and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law. The covenant to pay made by the Issuer to the Bond Trustee in respect of the Covered Bonds in the Bond Trust Deed (but only, in respect of such provisions, to the extent that they relate to any A$ Registered Covered Bonds), the provisions relating to the issuance of A$ Registered Covered Bonds and maintenance of the A$ Register in respect of the A$ Registered Covered Bonds in the Bond Trust Deed and the provisions relating to limiting recourse to the Covered Bond Guarantor and the Security Trustee in the Bond Trust

	Deed, the Principal Agency Agreement and the A$ Registered Covered Bonds are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia. Other than Condition 2.2 of the N Covered Bond Conditions, clause 4 of the N Covered Bond Assignment Agreement, the N Covered Bond Confirmation and N Covered Bond Confirmation Terms (which are governed by, and will be construed in accordance with, English law), the N Covered Bonds are governed by, and will be construed in accordance with, German law.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of any Tranche of Covered Bonds (see the section "*Subscription and Sale and Selling Restrictions*" in this Prospectus).

RISK FACTORS

Introduction

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

This section describes the primary risk factors that could materially affect the businesses of the Group, its revenues, operating income, net income, net assets, liquidity, funding, reputation and capital resources. If any of the listed or unlisted risks actually occur, the Group's business, financial condition, liquidity, operations, prospects or reputation could be materially and adversely affected.

The Group seeks to adopt a comprehensive approach to risk management through its Risk Management Framework. This framework encompasses the risk governance and reporting processes, risk policies and procedures, risk infrastructure and data (risk systems, tools and processes), and accountabilities and skills to enable the Group to effectively identify, measure, evaluate, monitor, report and control or mitigate all internal and external sources of material risk.

As part of its Risk Management Framework, the Group categorises risks that could have a material financial, non-financial or strategic impact on the Group into Material Risk Types. These Material Risk Types are listed below in the order that management believes reflect the current materiality of these risks to the Group, and include: strategic risk, credit risk, operational risk, compliance risk, liquidity risk, and market risk. Within these Material Risk Type categories, management and the Board have identified sub-risk types. Where applicable, those sub-risk types are set forth within the Material Risk Type categories in the order that management believes reflect the materiality of those sub-risk types to the Group.

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

As at the date of this Prospectus, the Issuer believes that the following risk factors may affect the Issuer's ability to fulfil its obligations or the Covered Bond Guarantor's ability to perform its obligations, under or in respect of the Covered Bonds or the Covered Bond Guarantee and could be material for the purpose of assessing the market risks associated with the Covered Bonds. Notes 9.1 through to 9.4 of the Issuer's audited consolidated and non-consolidated annual financial statements for the financial year ended 30 June 2025 (the ***2025 Financial Statements****) provide details on how the Group manages its strategic, credit, operational, compliance, market, and liquidity and funding risks.*

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

Notwithstanding anything in these risk factors, these risk factors should not be taken as implying that the Bank will be unable to comply with its obligations as a company with securities admitted to the Official List or that the Bank will be unable to comply with its obligations as a supervised firm regulated by the UK Prudential Regulation Authority and the FCA.

1. RISK FACTORS RELATED TO THE NATURE OF THE COVERED BONDS

Limited recourse against the Issuer

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

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

Limited recourse to Covered Bond Guarantor

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

Final Maturity Date and extendable obligations under the Covered Bond Guarantee

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

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

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

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

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

Repayment of the Demand Loan in those circumstances will be made first, by way of the Demand Loan Provider (in its capacity as the Account Bank in respect of the OC Account) setting-off the amount standing to the credit of the OC Account against the repayment amount and second, (other than where repaid on a day that is not a Distribution Date) by an in specie distribution of Mortgage Loan Rights to the Demand Loan Provider in accordance with the applicable Priority of Payments. In the Pre-Acceleration Principal Priority of Payments, the Guarantee Priority of Payments and the Post-Enforcement Priority of Payments repayment of the Demand Loan following such a demand ranks senior, provided that the Asset Coverage Test continues to be met after such repayment, to the amounts due and payable by the Covered Bond Guarantor to the Covered Bondholders and Couponholders under the Covered Bond Guarantee (if applicable) and to the Intercompany Loan Provider under the Intercompany Loan. This means that the Covered Bondholders and Couponholders will not have the benefit of any voluntary over-collateralisation in the Programme (any over-collateralisation that exceeds the amount required to ensure compliance with the Asset Coverage Test, which includes any amount standing to the credit of the OC Account) if the Demand Loan Provider exercises its right to require repayment of the Demand Loan. This may adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

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

A 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 material known risks of Covered Bonds with the following features:

Covered Bonds subject to optional redemption by the Issuer

An optional redemption feature of Covered Bonds is likely to limit their market value. During any period when the Issuer may elect to redeem Covered Bonds, the market value of those Covered Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Covered Bonds when its cost of borrowing is lower than the interest rate on the Covered Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Covered Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Fixed Rate Covered Bonds

Investment in Fixed Rate Covered Bonds involves the risk that subsequent changes in the market interest rates applying to fixed rate debt instruments issued in the same currency and having the same term to maturity as those Fixed Rate Covered Bonds may adversely affect the value of the Fixed Rate Covered Bonds as an equivalent investment issued at the current market interest rate may be more attractive to investors.

Fixed Rate Covered Bonds or Floating Rate Covered Bonds

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

Covered Bonds issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities. Such volatility could have a material adverse effect on the value and return of any such Covered Bonds.

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

Ratings of the Covered Bonds

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

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

In general, European-regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. 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 CRA Regulation and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances. The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

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

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

Certain information with respect to the applicable credit rating agencies and ratings may be disclosed in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

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

By acquiring the Covered Bonds, investors will be deemed to have acknowledged and agreed that, notwithstanding the foregoing, a credit rating is an assessment and does not address all matters that may

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

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

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

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

The Security Trustee will not be obliged (other than as expressly provided in the Security Deed) to take any steps or exercise any of its powers, rights, trusts, authorities, duties, functions or discretions (including to require anything to be done, form any opinion or view, make any determination or give any notice, consent, waiver or approval) under or pursuant to the Security Deed or any other Programme Document to which the Security Trustee is a party (a) unless the Security Trustee has been directed to do so by the Bond Trustee (if any Covered Bonds are outstanding) or by the Majority Secured Creditors (if no Covered Bonds are outstanding) and (b) the Security Trustee has been indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may thereby render itself liable and all Liabilities which it may incur by so doing and (c) provided always that the Security Trustee is not bound to take any enforcement proceedings which may, in the opinion of the Security Trustee in its absolute discretion, result in the Security Trustee failing to receive any payment to which it is or would be entitled. As a result of these limitations, there is no guarantee the Security Trustee will act in a timely manner to take any steps or exercise any power, trusts, authorities and discretions.

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

Where in connection with the exercise of its powers, trusts, authorities and discretions (including any modifications, waiver, authorisation or determination) the Security Trustee is required to have regard to the Covered Bondholders (or any Series thereof), it must have regard to the general interests of the Covered Bondholders (or any Series thereof) as a class and must not have regard to any interests arising from circumstances particular to individual Covered Bondholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular country, territory or any political subdivision thereof and the Security Trustee will not be entitled to require, nor will any Covered Bondholder or Couponholder be entitled to claim from, the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Covered Bondholders or Couponholders, except to the extent already provided for in Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable).

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

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

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

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

In addition, pursuant to Condition 4.2, certain changes may be made to the interest calculation provisions of the Floating Rate Covered Bonds in the circumstances set out in the applicable provisions of those Conditions, without the requirement for consent of the Covered Bondholders. See "*The occurrence of a Benchmark Event, SOFR Benchmark Transition Event, SORA Benchmark Event, SARON Index Cessation Event, CORRA Index Cessation Event or TONA Index Cessation Event, as applicable, may adversely affect the return on and the market value* of Floating Rate Covered Bonds" above. The Bond Trustee shall be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer, in effecting any BBSW Rate Amendments in the circumstances and as otherwise set out in Condition 4.2(k) without the consent of the Covered Bondholders.

Pursuant to the terms of the Security Deed, the Security Trustee may without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders (while there are Covered Bonds outstanding), and without the consent of the other Secured Creditors (other than any Secured

Creditor who is party to the relevant document) at any time and from time to time concur with the Issuer and the Covered Bond Guarantor (acting on the directions of the Trust Manager) or any other party in making any modification to the Covered Bonds of one or more Series, the related Coupons or to any Programme Documents if either (a) the Security Trustee is directed to do so by the Bond Trustee (if any Covered Bonds are outstanding) or the Majority Secured Creditors (if no Covered Bonds are outstanding) or (b) the modification is of a formal, minor or technical nature, made to correct a manifest error or an error established as such to the Security Trustee's satisfaction or made to comply with mandatory provisions of law and, if any Covered Bonds are outstanding, the Bond Trustee has approved the modification.

The Security Trustee and the Bond Trustee will be obliged to concur in and to effect modifications to the Programme Documents requested by the Issuer, the Covered Bond Guarantor or the Trust Manager to: (a) accommodate accession of a new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Cover Pool Monitor or new Agent to the Programme if certain conditions are met; (b) take into account any changes in the ratings criteria of the Rating Agencies in relation to covered bonds where, absent such modifications, the Issuer is reasonably satisfied following discussions with the relevant Rating Agency that the ratings assigned by that relevant Rating Agency to any Covered Bonds may be subject to downgrade, withdrawal or qualification and even if such changes are, or may be, prejudicial or materially prejudicial to the interests of the Covered Bondholders of any Series; (c) allow a Swap Provider to transfer securities as Swap Collateral under a relevant Swap Agreement Credit Support Annex, including to appoint a custodian to hold such securities in a custody account pursuant to a custody agreement; (d) ensure compliance of the Programme or the Issuer, as applicable, with, or ensure that the Issuer may benefit from, any existing, new or amended legislation, regulation, directive, prudential standard or prudential guidance note of any regulatory body (including APRA) in relation to covered bonds provided that the Issuer and the Trust Manager has certified to the Security Trustee and the Bond Trustee in writing that such modifications are required in order to comply with or benefit from such legislation, regulation, directive, prudential standard or prudential guidance note, as the case may be; (e) effect any Benchmark Amendments in the circumstances and as otherwise set out in Condition 4.7(c) without the consent of the Covered Bondholders or the Couponholders; or (f) take into account any new covered bonds ratings criteria of the Rating Agencies, or any changes or updates to, or any replacement of, the covered bonds ratings criteria of the Rating Agencies (including, without limitation, any manner in which a Rating Agency applies or construes any then existing covered bonds ratings criteria), subject to receipt by the Bond Trustee and the Security Trustee of a Rating Affirmation Notice from the Issuer and receipt by the Bond Trustee and the Security Trustee of a certificate signed by two Authorised Signatories of the Issuer or the Trust Manager each certifying to the Bond Trustee and the Security Trustee that such modifications are required in order to take into account, apply or construe any such new covered bonds ratings criteria of the Rating Agencies, or any such changes or updates to, any replacement of, or any application or construction of the covered bonds ratings criteria of the Rating Agencies.

Certain decisions of the Covered Bondholders taken at Programme level

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

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

Absence of secondary market; lack of liquidity

There is no assurance that any secondary market for the Covered Bonds will develop, that it will provide liquidity of investment or that it will continue for the life of the Covered Bonds. The risk that a secondary market in the Covered Bonds will not develop, cease to develop or fail is increased during major disruptions in the capital markets. Such disruptions may not be limited to issues which are directly relevant to the Issuer or the Assets of the Trust and which therefore may appear to be unrelated to the Covered Bonds. For example, there has been a significant downturn in the global credit markets in recent times and there can be no assurance that a secondary market for the Covered Bonds issued by the Issuer will develop. The Covered Bonds are subject to certain restrictions on the resale and transfer thereof as set forth under the section "*Subscription and Sale and Selling Restrictions*" below. If a secondary market does develop, it may not continue for the life of the Covered Bonds or it may not provide sufficient liquidity with the result that a holder of the Covered Bonds may not be able to find a buyer to buy its Covered Bonds readily or at prices that will enable the holder of the Covered Bonds to realise a desired yield. This is particularly the case for Covered Bonds that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, are being issued to a single investor or a limited number of investors or have been structured to meet the investment requirements of limited categories of investors. These types of Covered Bonds generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Covered Bonds.

In addition, as at the date of this Prospectus, the secondary market for covered bonds and mortgage-backed securities generally is experiencing severe disruptions resulting from reduced investor demand for such securities. This has had a materially adverse impact on the market value of covered bonds and resulted in the secondary market for such securities experiencing very limited liquidity. Limited liquidity in the secondary market may continue to have an adverse effect on the market value of covered bonds and mortgage-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors. Consequently, whilst these market conditions continue to persist, an investor in Covered Bonds may not be able to sell or acquire credit protection on its Covered Bonds readily and market values of covered bonds are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to Covered Bondholders. It is not known for how long the market conditions will continue or whether they will worsen. Further deterioration in wholesale funding markets may have an adverse effect on the Issuer and the Covered Bond Guarantor.

In addition, the current market conditions have affected the primary market for a number of financial products including covered bonds and mortgage-backed securities. While it is possible that the current market conditions may soon alleviate, there can be no assurance that the market for covered bonds and mortgage-backed securities will recover at the same time or to the same degree as such other recovering global credit market sectors.

Potential investors must therefore be able to bear the risks of any investment by them in the Covered Bonds for an indefinite period of time.

APRA's powers under the Australian Banking Act

Power to direct the return of certain assets

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

Specifically, APRA has the power to direct the Covered Bond Guarantor to return to the Issuer an Asset of the Trust which is held by the Covered Bond Guarantor to the extent that, at the time the direction is given, that Asset of the Trust does not secure "covered bond liabilities". A "covered bond liability" (as defined in the Australian Banking Act) is a liability of the Issuer or the Covered Bond Guarantor to holders of Covered Bonds and any other liability which is secured by Assets beneficially owned by the Covered Bond Guarantor. A liability of the Covered Bond Guarantor to the Issuer (other than a liability relating to derivatives or the provision of services) which is secured in priority to any liability to the Covered Bondholders is not a "covered bond liability". Accordingly, APRA may direct the Covered

Bond Guarantor to return Assets of the Trust which secure such senior-ranking liabilities of the Covered Bond Guarantor to the Bank. In the context of this Programme this would extend to Assets that secure the Covered Bond Guarantor's senior obligation to repay the Demand Loan (which includes any amount standing to the credit of the OC Account) where the Demand Loan Provider has demanded repayment in circumstances where the Asset Coverage Test would be met after giving effect to such repayment.

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

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

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

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

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

Power to prevent further issue of covered bonds

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

The market continues to develop in relation to "Overnight Rates" such as SONIA, SOFR, SORA, SARON, €STR, CORRA and TONA and such rates may be more volatile than other benchmarks or market rates

Where the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable 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, SORA, SARON, €STR, CORRA and TONA, interest will be determined on the basis of Compounded Daily SONIA, Compounded Daily SOFR, €STR Compounded Daily, €STR Index Compounded Daily, €STR Weighted Average, Compounded Daily SORA, SARON Compounded, Compounded Daily CORRA or Compounded Daily TONA, respectively (each as defined in the Conditions of the Covered Bonds and each an **Overnight Rate**). These Overnight Rates differ from the now discontinued inter-bank lending (**IBOR**) rates that they look to replace in a number of material respects, including (without limitation) that these Overnight Rates are backwards-looking, compounded, risk-free or secured overnight rates, whereas the previous IBOR rates were expressed on the basis of a forward-looking term and included a credit risk element based on inter-bank lending. As such, investors should be aware that there may be a material difference in the past behaviour of the relevant IBOR rate and the related Overnight Rate as interest reference rates for Floating Rate Covered Bonds.

Certain historical indicative secured overnight financing rates are published, although such historical indicative data inherently involves assumptions, estimates and approximations. Potential investors in Covered Bonds referencing an Overnight Rate should not rely on such historical indicative data or on

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

Prospective investors in any Floating Rate Covered Bonds referencing any Overnight Rate should be aware that the market continues to develop in relation to such rates as reference rates in the capital markets and their adoption as an alternative to the discontinued IBOR rates. For example, in the context of backwards-looking Overnight Rates, market participants and relevant working groups continue to explore forward-looking 'term' reference rates for Overnight Rates (which seek to measure the market's forward expectation of an average Overnight Rate over a designated term). The adoption of Overnight Rates may also see component inputs into swap rates or other composite rates transferring from IBOR rates or another reference rate to such Overnight Rates.

The market or a significant part thereof may adopt an application of an Overnight Rate that differs significantly from that set out in the Conditions in the case of Floating Rate Covered Bonds for which the Rate of Interest is determined by reference to that Overnight Rate. Equally, in such circumstances, it may be difficult for the Covered Bond Guarantor to find any future required Swap Provider to properly hedge its then interest rate exposure on such a Floating Rate Covered Bond should a Swap Provider need to be replaced and such Floating Rate Covered Bond at that time uses an application of an Overnight Rate that then differs from products then prepared to be hedged by Swap Providers. Furthermore, the Issuer may in the future issue Floating Rate Covered Bonds referencing Overnight Rates that differ materially in terms of the interest determination provisions when compared with the provisions for such determination as set out in the Conditions. The continued development of rates based on such Overnight Rates for the Eurobond markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Floating Rate Covered Bonds issued under the Programme from time to time referencing Overnight Rates.

In addition, the manner of adoption or application of rates referencing Overnight Rates in the Eurobond markets may differ materially compared with the application and adoption of rates referencing such Overnight Rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of reference rates referencing any 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 Floating Rate Covered Bonds referencing such Overnight Rates.

There can also be no guarantee that any Overnight Rate will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in such Covered Bonds. If the manner in which an Overnight Rate is calculated is changed, that change may result in a reduction in the amount of interest payable on Floating Rate Covered Bonds referencing that Overnight Rate and the trading prices of such Covered Bonds.

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

The amount of interest payable with respect to each Floating Interest Period will only be determined near the end of the Interest Period for Floating Rate Covered Bonds referencing Overnight Rates

The Rate of Interest on Floating Rate Covered Bonds referencing an Overnight Rate is only capable of being determined at the end of the relevant observation period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in any such Floating Rate Covered Bonds to estimate reliably the amount of interest that will be payable on such Floating Rate Covered Bonds on each Interest Payment Date. Further, if Floating Rate Covered Bonds referencing an Overnight Rate are redeemed or otherwise become due and payable early on a date that is not an Interest Payment Date, the final rate of interest payable in respect of such Floating Rate Covered Bonds shall only be determined by reference to a shortened period ending immediately prior to the date on which the Floating Rate Covered Bonds become due and payable.

The interest rate on Covered Bonds referencing Overnight Rates are based on the relevant Overnight Rate as calculated on a daily compounded basis or by reference to the relevant index, and may differ from rates referencing an Overnight Rate that use an alternative basis to determine the applicable rate

For each Floating Interest Period, the interest rate on any Floating Rate Covered Bonds referencing an Overnight Rate is based on that Overnight Rate as calculated on a daily compounded basis (or, where Index Determination is specified as being applicable in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement), by reference to the relevant index) and not the Overnight Rate published on or in respect of a particular date during such Floating Interest Period or an arithmetic average of that Overnight Rate during such Floating Interest Period. Each of the indices for an Overnight Rate measures the cumulative impact of the compounding Overnight Rate on a unit of investment over time. The value of the index on a particular business day reflects the effect of the compounding Overnight Rate on such business day and allows the calculation of the compounded Overnight Rate averages over custom time periods. For this and other reasons, the interest rate on Floating Rate Covered Bonds referencing an Overnight Rate during any Floating Interest Period will not necessarily be the same as the interest rate on other Overnight Rate-linked investments that use an alternative basis to determine the applicable interest rate. Further, if the Overnight Rate in respect of a particular date during a Floating Interest Period is negative, its contribution to the relevant compounded rate will be less than one, resulting in a reduction to such compounded rate used to calculate the interest payable on any Floating Rate Covered Bonds referencing that Overnight Rate on the interest payment date for such Floating Interest Period.

There can be no assurance that any of the Overnight Rates, or their respective indices, will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of holders of Covered Bonds referencing such Overnight Rates or indices

Overnight Rates and the indices for such rates are published by the respective administrators of those Overnight Rates and indices. The Issuer has no control over the determination, calculation or publication of any of the Overnight Rates or any of their respective indices. The administrator of an Overnight Rate, or its respective index, may make changes that could change the value of that Overnight Rate or index or discontinue the relevant Overnight Rate or index and has no obligation to consider the interests of holders of investments (including the Covered Bonds) referencing that Overnight Rate or index in doing so. Each of the administrators of the Overnight Rates and their respective indices may also make methodological or other changes that could change the value of the relevant Overnight Rate or index, including changes related to the method by which the Overnight Rate or index is calculated, eligibility criteria applicable to the transactions used to calculate the Overnight Rate or index, or timing related to the publication of the Overnight Rate or index. In addition, the administrator of an Overnight Rate or its respective index may alter, discontinue or suspend calculation or dissemination of SONIA or SOFR (in which case a fallback method of determining the interest rate on any Covered Bonds referencing the relevant Overnight Rate or index will apply, as further described in the Conditions.

There can be no assurance that an Overnight Rate or its respective index will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of holders of Covered Bonds referencing that Overnight Rate or index. If the manner in which an Overnight Rate or its respective index is calculated is changed, that change may result in a reduction of the amount of interest payable on any Covered Bonds referencing an Overnight Rate or index which may adversely affect the trading prices

of such Covered Bonds. If the rate at which interest accrues on any Covered Bonds referencing an Overnight Rate or its respective index for any Floating Interest Period declines to zero or becomes negative, no interest will be payable on such Covered Bonds on the Interest Payment Date for such Floating Interest Period. The administrators of the Overnight Rates and their respective indices have no obligation to consider the interests of holders of investments (including the Covered Bonds) referencing an Overnight Rate or its respective index in calculating, adjusting, converting, revising or discontinuing that Overnight Rate or index. In addition, the administrator of any Overnight Rate or its respective index may withdraw, modify or amend the published Overnight Rate or index or other data in its sole discretion and without notice.

The interest rate for any Floating Interest Period will not be adjusted for any modifications or amendments to an index for an Overnight Rate or other Overnight Rate data that the administrator of such index or Overnight Rate may publish after the interest rate for that Floating Interest Period has been determined.

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

Interest rates and indices that are deemed to be "benchmarks" (including, amongst others, EURIBOR, BBSW, BKBM, HIBOR, CNH HIBOR and NIBOR) are the subject of national and international regulatory guidance and reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from the London Interbank Offered Rate), and "benchmarks" remain subject to ongoing monitoring. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the value or liquidity of, and return on, any Floating Rate Covered Bonds or any other Covered Bonds which are linked to or reference a "benchmark".

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

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

In New Zealand, the New Zealand Financial Benchmark Facility closed a second consultation on potential reform of BKBM in May 2024. The consultation proposed four potential options for reform, either retaining BKBM, retaining a reformed version of BKBM, transitioning from BKBM to the official cash rate of the Reserve Bank of New Zealand (**RBNZ**), which is a risk-free overnight rate (with a reformed BKBM for certain financial products), or transitioning from BKBM to the RBNZ's official cash

rate (with a new risk-free term forward-looking benchmark for certain financial products). A summary of responses to the consultation was published in November 2024 and in November 2025, a market update was released setting out a roadmap towards reform. The indicative timeframe for reform is 9 to 12 months from issuance of that update.

In 2019, a Norwegian working group on alternative reference rates in NOK started its work with exploring an alternative reference rate and consequences of a discontinuation of NIBOR. In 2019, it recommended a modified Norwegian Overnight Weighted Average (**NOWA**) as the alternative reference rate for NIBOR, which from 1 January 2020 has been administered by the Norwegian Central Bank (Norges Bank). The working group continued its work through 2020 by establishing two subgroups comprising a group for market standards and fallback provisions and a group for exploring the establishment of an Overnight Index Swap market in NOK. On 28 September 2020, the working group published a consultation paper on fallback provisions and term and spread adjustments between NIBOR and NOWA upon a discontinuation of NIBOR. The consultation paper was updated by the working group in November 2021. Subsequently, in December 2021, the working group published guidelines on the use of NOWA in financial contracts and as a fallback solution. Since 29 April 2021, the Norwegian Central Bank has been publishing a NOWA compounded index and compounded NOWA averages to further support the use of NOWA as a reference rate for financial products.

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

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Covered Bonds linked to or referencing a "benchmark" which is in-scope of one or both regulations, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. 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 "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.

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".

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".

The occurrence of a Benchmark Event, SOFR Benchmark Transition Event, SORA Benchmark Event, SARON Index Cessation Event, CORRA Index Cessation Event or TONA Index Cessation

Event, as applicable, may adversely affect the return on and the market value of Floating Rate Covered Bonds

Investors should be aware that in the case of Floating Rate Covered Bonds, the Conditions of the Covered Bonds provide for certain fall-back arrangements in the event that a published benchmark, including SONIA, SOFR, CORRA, SARON, TONA or an inter-bank offered rate such as EURIBOR, BBSW, HIBOR, CNH HIBOR, NIBOR or other relevant reference rates (such as BKBM), ceases to exist or be published or another Benchmark Event, SOFR Benchmark Transition Event, SORA Benchmark Event, SARON Index Cessation Event, CORRA Index Cessation Event or TONA Index Cessation Event, as applicable, occurs.

These fall-back arrangements include the possibility that the Rate of Interest could be determined by reference to a Successor Rate or an Alternative Rate or a SOFR Benchmark Replacement, SORA Benchmark Replacement, in the case of SARON, a Recommended Replacement Rate, SNB Policy Rate or Replacement Rate (together, the **SARON fallback rates**), another Applicable Rate in the case of CORRA or JPY Recommended Rate in the case of TONA, as applicable, and that an Adjustment Spread or a SOFR Benchmark Replacement, SORA Adjustment Spread, Recommended Adjustment Spread or SNB Adjustment Spread, in the case of SARON or other spread or adjustment, respectively, may be applied to such Successor Rate, Alternative Rate, SOFR Benchmark Replacement, SORA Benchmark Replacement, SARON fallback rates, Applicable Rate or JPY Recommended Rate, as the case may be, as a result of any such replacement of the relevant benchmark or screen rate (as applicable) originally specified. Certain Benchmark Amendments or other amendments, in the case of SOFR, SORA, SARON, CORRA or TONA to the Conditions of such Covered Bonds may also be made without the consent or approval of holders of the relevant Floating Rate Covered Bonds. In the case of any Alternative Rate, any Adjustment Spread unless formally recommended or provided for and any Benchmark Amendments and any SOFR Benchmark Replacement, SOFR Benchmark Replacement Adjustment, SORA Adjustment Spread or other spread or adjustment and related amendments, the relevant replacement and adjustment (if any) and any such amendments shall be determined by 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) or, in the case of SOFR, SORA, SARON or CORRA the Issuer or the SOFR Benchmark Replacement Agent, Independent Adviser or CORRA Benchmark Replacement Agent, if any. Any Adjustment Spread, SOFR Benchmark Replacement Adjustment, SORA Adjustment Spread, Recommended Adjustment Spread or SNB Adjustment Spread, in the case of SARON, or other spread or adjustment that is applied may not be effective to reduce or eliminate economic prejudice to investors. The use of a Successor Rate or Alternative Rate (including with the application of an Adjustment Spread), SOFR Benchmark Replacement, SORA Benchmark Replacement, SARON fallback rates, Applicable Rate or JPY Recommended Rate (including with the application of a SOFR Benchmark Replacement Adjustment, SORA Adjustment Spread, Recommended Adjustment Spread or SNB Adjustment Spread, in the case of SARON, or other spread or adjustment) 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 fall-back for the purposes of calculation of interest for a particular Floating Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Covered Bonds based on the rate which was last observed on the Relevant Screen Page or the initial Rate of Interest applicable to such Covered Bonds on the Interest Commencement Date. In addition, due to the uncertainty concerning the availability of any Successor Rate or Alternative Rate, any determinations that may need to be made by the Issuer and the involvement of any Independent Adviser, the relevant fall-back provisions may not operate as intended at the relevant time.

Based on the foregoing, prospective investors should in particular also be aware that in the case of Floating Rate Covered Bonds, if EURIBOR or any other relevant interest rate benchmark is discontinued there can be no assurance that the applicable fall-back provisions under the Covered Bond Swap Agreements would operate to allow the transactions under the Covered Bond Swap Agreements to effectively mitigate interest rate risk in respect of such Floating Rate Covered Bonds.

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Covered Bonds and/or the Covered Bond Swap Agreements due to applicable fall-back provisions or other matters and the effects of this are uncertain but could include a reduction in

the amounts available to the Covered Bond Guarantor to meet its payment obligations in respect of the Covered Bonds.

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 occurrence of a Temporary Disruption Trigger or Permanent Discontinuation Trigger in respect of any Floating Rate Covered Bonds referencing the BBSW Rate may adversely affect the return on and the market value of such Floating Rate Covered Bonds

Investors should be aware that in the case of Floating Rate Covered Bonds referencing the BBSW Rate, the BBSW Rate Fallback Provisions provide for certain fallback arrangements in the event that a Temporary Disruption Trigger or a Permanent Discontinuation Trigger occurs (each as set out in the Conditions relating to the Covered Bonds).

Where the original benchmark for the Floating Rate Covered Bonds is the BBSW Rate, the BBSW Rate Fallback Provisions distinguish between temporary and permanent triggers affecting the BBSW Rate. If a Temporary Disruption Trigger occurs in respect of the BBSW Rate, the interest rate for any day on which that Temporary Disruption Trigger is continuing will be the interest rate determined in accordance with the Temporary Disruption Fallback which provides that, in the first instance, preference will be given to the Administrator Recommended Rate (which is a rate formally recommended for use as the replacement for the BBSW Rate by the Administrator). The second preference will be given to the Supervisor Recommended Rate (which is a rate formally recommended for use as the replacement for the BBSW Rate by the Supervisor). Finally, preference will be given to the Final Fallback Rate. In the event that a Permanent Discontinuation Trigger occurs in respect of the BBSW Rate, the rate for any Interest Determination Date which occurs on or following the applicable Permanent Fallback Effective Date will be the Fallback Rate which is determined in accordance with the Permanent Discontinuation Fallback and which may be AONIA. Investors should be aware that whilst the BBSW Rate is based on a forward-looking basis and on observed bid and offer rates for Australian prime bank eligible securities (which rates may incorporate a premium for credit risk), AONIA is an overnight, risk free cash rate and will be applied to calculate interest by compounding observed rates in arrears and the application of a spread adjustment. There can be no assurance that AONIA as described above will produce the economic equivalent of the BBSW Rate. Certain amendments may be made to the Conditions in respect of a Series of Covered Bonds without the consent of the Covered Bondholders (as further described under Condition 4.2(k)(3) of the Conditions of the Covered Bonds) if at any time a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate (or other Applicable Reference Rate) and the Issuer determines that such amendments to the Conditions are necessary to give effect to the proper operation and application of the applicable Fallback Rate in the manner contemplated by Condition 4.2(k)(2).

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

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any of the international or national reforms and the possible application of the benchmark replacement provisions of the Covered Bonds in making any investment decision with respect to any Covered Bonds referencing a "benchmark".

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

Emerging Risk

The Group's results could be adversely impacted by emerging risks arising from changes in the Group's operating environment

Evolving current or emerging risks, such as heightened geopolitical tensions, macroeconomic uncertainty (inflation and interest rate levels), cost of living pressures, the competitive landscape, technological change and the regulatory and political environment, or shifting customer expectations, can challenge the business model and profitability assumptions underlying the Group's strategy. While the Board regularly monitors and discusses the Group's operating environment, strategic objectives, implementation of major strategic initiatives, emerging risks and the Group's mitigating strategies, there can be no assurance that emerging risks will not adversely impact the Group.

The Group may be adversely impacted by a downturn in the macroeconomic environment, particularly in the Australian or New Zealand economies

The Group's performance is largely dependent on the economies of the jurisdictions in which it operates or obtains funding, customer and investor confidence, and prevailing market conditions, which in turn are impacted by global events.

By the nature of its operations in various financial markets, the Group has previously been adversely impacted, both directly and indirectly, by unfavourable business, economic and market conditions. The impact of any changes in political and macroeconomic conditions in Australia and New Zealand or globally remains uncertain. The Group may be materially adversely affected by such conditions where those conditions affect the Group's business or result in a protracted downturn in economic conditions globally and, in particular, in Australia and New Zealand, or result in systemic shock due to market volatility, political or economic instability or catastrophic events associated with such conditions.

Such events include:

- the risk of persistent inflation and uncertainty about the size of monetary policy tightening globally (and expected easing in Australia), which may be exacerbated by heightened geopolitical tensions and disruptions to supply chains. These conditions may contribute to increased market volatility and lead to slow economic growth, higher unemployment and continued cost of living pressures, each of which may cause further declines in business and investor confidence, and increase the risk of customer defaults;

- the risk of contagion and consequent loss of investor confidence from the failure of a bank or other financial institution, which due to the interdependency of financial market participants may cast doubt on the ability of other vulnerable banks globally to weather pressures on their businesses , cause regulators to impose changes to capital and other regulatory requirements, destabilise global markets and negatively affect economic activity;

- regional and global economic conditions stemming from any current and future health crises;

- further escalations in trade restrictions and disruptions to global supply chains and consequential global inflationary impacts associated with the war in Iran, the Russian invasion of Ukraine and broader conflict in the Middle East and the possibility of those wars expanding into wider regional conflicts in Eastern Europe and the Middle East or any other potential geopolitical conflict, or with any shifts in relevant policy positions of major trading nations, including in relation to tariffs or other trade barriers;

- any geopolitical tension or other event that adversely affects China's economic growth or Australia or New Zealand's economic relationship with China, including the implementation of tariffs or other protectionist trade policies and measures by major trading partners;

- a further weakening of the Chinese economy, including as a result of its prolonged downturn in the real estate market, subdued household consumption, credit growth and savings rates,

slowing demand for its exports and ongoing trade tensions with major economies such as the United States and Europe;

- any escalation in tensions between the United States and China, including with respect to the status of Taiwan, the South China Sea and China's trade and technology policies, leading to increased protectionist policies and further global re-alignment of trading partners by nations;

- the continued consumer and institutional adoption of stablecoin cryptocurrencies which are backed by reserves of fiat currency and liquid financial assets such as bonds. These are largely unregulated with limited transparency over their reserves. As the use of stablecoin grows, a crash could result in a fire sale of reserve assets, destabilising the real economy and possibly impacting access to short-term credit; or

- advanced economies have been running larger budget deficits and increasing debt positions, resulting in the risk of higher borrowing costs into the future as well as financial market volatility.

The effect of such events is difficult to predict, but a shock to, or deterioration in, the global economy could result in currency and interest rate fluctuations and operational disruptions that negatively impact the Group.

For example, global economic conditions may deteriorate to the extent that counterparties default on their debt obligations, countries re-denominate their currencies or introduce capital controls, major economies collapse, or global financial markets cease to operate or cease to operate efficiently. Sovereign defaults may adversely impact the Group directly, through adversely impacting the value of the Group's assets, or indirectly through destabilising global financial markets, adversely impacting the Group's liquidity, financial performance or ability to access capital. The strength of the Australian and New Zealand economies is influenced by the strength of the Australian dollar and New Zealand dollar, respectively. Significant movements in these currencies may adversely impact parts of the relevant economy and, in turn, the results of the Group's operations as described in "*Risk Factors – Market Risk*".

Events of the kind referred to above could cause a reduction in demand for the Group's products and services and/or an increase in loan and other credit defaults, bad debts and impairments and/or an increase in the cost of the Group's operations. Should these occur, the Group's business, results of operations, financial condition and prospects may be materially adversely affected, and the other risk factors described herein may be aggravated as a result.

The Group can give no assurances as to the likely future conditions of the economies of Australia, New Zealand or other jurisdictions in which the Group operates or obtains funding, which can be influenced by many factors within and outside these countries, which are outside the Group's control, including domestic and international economic events, political events, natural disasters and any other event that impacts global financial markets.

The Group may be adversely impacted by further declines in the residential and commercial property sectors

Given the Group's concentration of earnings from home loans, a significant or sustained decrease in the Australian and New Zealand housing markets or property valuations, including from external factors, could adversely affect the Group's home and commercial mortgage portfolio, resulting in a decrease in the amount of new lending the Group is able to undertake and/or an increase in the losses that the Group may experience from existing loans. These factors could adversely affect the Group's business, financial condition, operations and prospects.

The demand for residential property may also decline due to buyer concerns about decreases in value, regulatory or tax changes or concerns about future interest rates, which could impact demand for the Group's home lending products. If regulators impose supervisory measures that impact the Group's mortgage lending practices, or if Australian or New Zealand housing price growth significantly subsides or property valuations decline, the demand for the Group's home lending products may decrease and loan defaults could increase due to declining collateral values. This would adversely affect the Group's business, financial condition, operations and prospects.

A material decline in residential housing prices could also result in increased losses arising from the Group's exposures to residential property developers, particularly where developers' customers who are pre-committed to purchase the completed dwellings are unable or unwilling to complete their contracts and the Group is required to take possession of, and sell, the dwellings for less than the pre-committed contract price.

With respect to the commercial real estate market in Australia, weak leasing demand in some markets, reflected in higher vacancy rates, together with higher interest rates, is weighing on the profitability of commercial real estate owners' profitability, particularly owners of lower grade office properties. The Group's portfolio of commercial property loans may be susceptible to asset price deflation, tenancy risk (including risks relating to tenancy mix and vacancy levels), delivery risk and settlement risk, which may result in higher credit losses. Adverse impacts on the Group's commercial loan portfolio could arise from lower levels of new origination activity and increased losses due to deteriorating security values and a less active refinancing market. A significant decrease in commercial property valuations or a significant slowdown in the commercial real estate markets in Australia or New Zealand, or specific regions or sectors (such as New South Wales), could result in reduced lending growth.

The Group is subject to extensive regulation and operates in an environment that is subject to political scrutiny, which could adversely impact its operations and financial condition

The Group and its businesses are subject to extensive regulation in Australia and across multiple regulatory bodies as well as by other regulators in jurisdictions in which the Group operates or obtains funding, including New Zealand, the UK, the Netherlands, the United States, China, Japan, Singapore, Hong Kong and India.

Key domestic regulators include APRA, ASIC, the Australian Taxation Office (**ATO**), the Australian Transaction Reports and Analysis Centre (**AUSTRAC**), the Office of the Australian Information Commissioner (**OAIC**), the Australian Competition and Consumer Commission (**ACCC**), the Fair Work Ombudsman (**FWO**), the Australian Communications and Media Authority (**ACMA**), the RBA and the Cyber and Infrastructure Security Centre (**CISC**). Other key bodies with specialised roles that impact on bank practices and operations include the Australian Financial Complaints Authority, the Australian Securities Exchange (**ASX**), the Banking Code Compliance Committee and the National Anti-Scams Centre.

In particular, APRA, as the Group's prudential regulator in Australia, has very wide powers under the Australian Banking Act, including in limited circumstances to direct banks (including the Group) to hold additional capital if it identifies deficiencies in the risk management practices of a regulated entity, or to not make payments on their securities.

In addition to its key Australian regulators, a range of international regulators and authorities supervise and regulate the Group in respect of, among other areas, capital adequacy, liquidity levels, funding, provisioning, insurance, risk management, compliance with prudential regulation and standards, accounting standards, remuneration, data access, stock exchange listing requirements, and its compliance with relevant financial crime, sanctions, privacy, taxation, competition, consumer protection and securities trading laws.

The Group and the wider financial services industry are facing increased regulation and scrutiny in many of these areas and jurisdictions and changes or new regulation in one part of the world could lead to changes elsewhere.

Any change in law, regulation, taxation, accounting standards, policy or practice of regulators, or failure to comply with laws, regulations or policy, may adversely affect the Group's business, financial condition, liquidity, operations, prospects and reputation, and its ability to execute its strategy, either on a short or long-term basis. The potential impacts of regulatory change are wide-ranging, and could include increasing the levels and types of capital that the Group is required to hold and restricting the way the Group can conduct its business and the nature of that business, such as the types of products that it can offer to customers.

The Group is exposed to the risk of a change in tax laws or changes in the interpretation of tax laws in the jurisdictions in which it operates. Any such changes may be adverse to the Group's interests and may

result in the Group incurring larger tax liabilities than expected, which could adversely affect the Group's results of operations.

The Group may also be adversely affected if the pace or extent of regulatory change exceeds its ability to adapt to such changes and embed appropriate compliance processes adequately. The pace of regulatory change means that the regulatory context in which the Group operates is often uncertain and complex.

Regulatory reforms

Examples of relevant recent and upcoming significant regulatory reform in Australia include the following:

- On 1 January 2023, APRA implemented its revisions to the ADI capital framework. These revisions included an increase to the minimum Common Equity Tier 1 (**CET1**) capital ratio from 8 per cent to 10.25 per cent. In addition, APRA's approach to loss absorbing capacity required some banks, including the Group, to hold an additional total capital requirement of 3 per cent. of risk-weighted assets (**RWA**) from 1 January 2024. This increased to 4.5 per cent. from 1 January 2026. The loss absorbing capacity requirement in combination with revisions to the ADI capital framework has resulted in a minimum total capital ratio requirement of 16.75 per cent. from 1 January 2024 and 18.25 per cent. from 1 January 2026.

- On 17 July 2023, APRA released CPS 230 Operational Risk Management (**CPS 230**) which replaced several existing standards including CPS 232 Business Continuity management and CPS 231 Outsourcing. CPS 230 came into effect on 1 July 2025 and established significant new requirements for operational risk management, service provider risk management and business continuity planning for all APRA regulated entities. Transitional arrangements apply to certain pre-existing service provider agreements until the earlier of the next renewal date of the contract with the service provider or 1 July 2026.

- APRA's review of liquidity risk management standards, including APS 210 and ARS 210.0, began in the first quarter of 2025. This reform responds to lessons from global banking disruptions and aims to enhance stress testing and liquidity risk sensitivity. While specific changes are yet to be developed or consulted on (noting on 16 March 2026, APRA outlined a staged 18-month consultation programme on reforms including credit risk capital, liquidity, and market risk frameworks), the Group is preparing for potential updates to its internal models and reporting frameworks.

- The capital framework reform, initiated in early 2025, focuses on phasing out Additional Tier 1 (**AT1**) capital instruments. For the Group, this reform necessitates a strategic divestment and re-evaluation of capital planning. The Group has emphasised the need for early and clear guidance from APRA to manage market impacts and ensure a smooth transition. APRA has confirmed that the revised framework will commence from 1 January 2027, with existing AT1 instruments expected to be phased out progressively and no longer remain outstanding beyond 2032.

Outside Australia, there have also been a series of other regulatory initiatives from authorities in the various jurisdictions in which the Group operates or obtains funding that would result in significant regulatory changes for financial institutions.

As an example, in New Zealand, the RBNZ published final decisions from its 2025 review of key capital settings for New Zealand incorporated banks, as below:

- For the larger New Zealand banks, all of whom are owned by Australian parents, including ASB Bank Limited (**ASB**), the total regulatory capital requirement will be 15 per cent. of RWA, of which at least 12 per cent. must be in the form of CET1 capital, with a 3 per cent. Tier 2 allowance. Additional Tier 1 is removed as a form of regulatory capital in the framework.

- In addition, the RBNZ has introduced a Loss Absorbing Capital (**LAC**) requirement of 6 per cent. above the total capital requirement for these banks – to reach a Total LAC (**TLAC**) of 21 per cent. All capital, including Tier 2 and LAC, is required to be sourced from the parent under a single point of entry resolution model. The instruments that will qualify as Tier 2 and LAC

will have features that are consistent with international guidance, including write down and conversion provisions. Final transition arrangements and implementation timelines will be progressed via updates to the existing RBNZ Banking Prudential Requirements and the Capital Standard under the Deposit Takers Act 2023, following further consultation.

The Group is subject to competition and digital disruption which may adversely affect its business and financial results

The Group faces competition in all of its principal areas of operation. Competition is expected to increase, especially from non-Australian financial services providers who continue to expand in Australia, and from new non-bank entrants or smaller providers who may be unregulated or subject to lower or different prudential and regulatory standards than the Group, allowing them to operate more efficiently. These entrants may seek to disrupt the financial services industry by offering bundled propositions and utilising new technologies such as blockchain and digital currencies. Given the importance of a functioning and competitive banking sector, it is anticipated that over the longer-term, the level of competition in financial services will remain a focus area for the Australian Government. Possible future policy reform in this area may result in increased competitive pressure in the Group's key markets, which may adversely affect the Group's business, results of operations, financial condition and prospects.

The emergence, adoption and evolution of new technologies, including distributed ledgers, such as digital currencies and blockchain, may require the Group to invest resources to adapt its existing products and services and may increase the Group's compliance and regulatory costs. Regulatory limitations on the Group's involvement in products and platforms involving technologies such as digital currencies may not apply equally or, in some cases, at all to certain of the Group's competitors. The Group may not be as timely or successful in developing or integrating, or even able to develop or integrate, new products and technologies, such as digital currencies, into its existing products and services, adapting to changes in consumer preferences or achieving market acceptance of the Group's products and services, any of which could affect the Group's ability to attract or retain clients, cause the Group to lose market share or result in service disruptions and in turn reduce the Group's revenues or otherwise adversely affect the Group.

If poorly implemented or managed in areas such as lending decisions, the use of these technologies could also create data privacy concerns or deliver incorrect results with potentially poor financial, regulatory, conduct or reputational outcomes.

The Group relies on deposits to fund a significant portion of its balance sheet. The Group competes with banks and other financial services firms for such deposits. Increased competition for deposits may increase the Group's cost of funding. To the extent that the Group is not able to successfully compete for deposits, the Group would be forced to rely more heavily on other, less stable or more expensive forms of funding, or to reduce lending, which may adversely impact the Group's business, financial condition, operations, prospects and liquidity.

In addition, a material portion of the Group's earnings is derived from mortgages. The Group faces increased competition for mortgages, with the current rising interest rate environment driving higher volumes of refinancing activities as customers shop around for more favourable rates. If the Group is unable to compete effectively in its various businesses and markets, its market share may decline and increased competition may also adversely affect the Group's results by diverting business to competitors or creating pressure to lower margins to maintain market share.

The Group may be adversely affected by AI risks

AI refers to machine-based systems that independently learn from data and can, for a given set of human-defined objectives, generate outputs such as content, predictions, recommendations, or decisions. AI includes technologies such as machine learning (identifies patterns and relationships in data, including supervised, unsupervised and reinforcement learning), dynamic or adaptive models, speech recognition, natural language processing and computer image recognition. AI is being used more often in banking across a range of business processes, including lending, customer service and financial modelling.

Not adopting AI within business processes could pose a strategic disadvantage to the Group relative to its competitors who deploy AI tools to increase the speed and quality of decisions. Inadequate adoption and management of AI in business processes by the Group, or by third parties it relies upon (including

the inability to understand or explain AI decisions), can result in unwanted financial and non-financial consequences, such as decisions made by AI tools that are not in line with the Group's policies and values which could adversely affect the Group's reputation.

Strategic Risk

The Group is routinely exposed to, and manages, risks that support or drive strategic decisions

The Group is routinely exposed to, and manages, a number of material risks that support or drive strategic decisions that could impact the Group's profitability or business model assumptions. Strategic risk is the risk of material value destruction or less than planned value creation, due to changes in the Group's external and internal operating environments. These risks may be impacted by, or drive decisions relating to other material risks.

The Group could suffer losses due to environmental and social risks

Environmental and social risks may adversely impact the Group's business, franchise value, financial condition, operations, supply chain, prospects, funding and liquidity. Environmental and social risks include climate-related, nature-related and social risks. These risks may arise from the Group's own operations, supply chain, products and services, lending and financing activities, and public commitments.

Climate-related physical risks may arise from frequent or severe weather events. Climate-related transition risks may arise from the transition towards a lower carbon economy, including transition-related changes in policy, law, regulation, technology, market practice, customer behaviour or investor expectations. Nature-related risks may arise from negative impacts to the natural environment and changes in policy and regulation related to nature and biodiversity. Social risks may arise when adverse social impacts occur in relation to issues such as modern slavery, human rights or customers in vulnerable circumstances.

If the Group does not appropriately identify, assess, manage or disclose environmental and social risks, or if its actions are, or are perceived to be, inconsistent with applicable laws, regulatory requirements, stakeholder expectations or public commitments, the Group may be subject to regulatory action, investigations, litigation, customer remediation, reputational damage, credit losses, reduced revenue, increased costs, constraints on business activities, increased funding costs, reduced access to capital markets or an adverse impact on its capital position.

Environmental Strategic Risk

Environmental risks, including climate-related and nature-related drivers, may heighten strategic risk where they affect the Group's business model, portfolio composition, regulatory compliance or ability to meet stakeholder expectations.

Climate-related strategic risk may arise where the Group's response to transition or physical climate risks is considered insufficient or inconsistent with its public commitments or disclosures. This includes decisions and disclosures relating to emissions-intensive sectors, portfolio emissions targets and transition strategies, climate-related disclosure obligations, and the Group's own emissions. The Group may be exposed to shareholder activism, regulatory scrutiny or litigation where its climate-related actions, disclosures or commitments are considered inadequate or misaligned. Climate-related drivers may affect financial performance where changes to exposures to emissions-intensive sectors reduce revenue and are not offset by financing opportunities in lower-carbon and climate-resilient activities.

Nature-related strategic risk may arise where the Group's exposures to, or associations with, nature degradation, biodiversity loss, land-use change, pollution, deforestation or other environmentally sensitive activities are considered insufficiently managed or not transitioned to more sustainable alternatives. This may result in reputational damage, reduced business opportunities or reduced access to capital.

Strategic risk may also arise from external transition settings outside the Group's control. This includes the risk that Australia's climate commitments are, or are perceived, to be misaligned with global expectations, which may lead to higher funding costs, reduced access to capital, carbon border measures, or the exclusion of Australian businesses, including the Group's customers, from global markets.

Environmental risks – Non-financial risk impacts

This includes the risk that pricing, lending or access to products and services in higher-risk locations or industries are, or are perceived to be, unfair or result in poor customer outcomes.

Physical climate impacts, transition impacts and nature degradation may increase customer vulnerability or financial hardship, including through damage to assets, asset value declines, insurance constraints, inflationary or energy price pressures, unemployment, or reduced productivity or value of natural resources.

Increasingly complex sustainable finance products and services may increase the risk of misleading or inadequate product design, distribution, eligibility criteria, use of proceeds, disclosures or reporting. This may result in financial loss to the Group, including through regulatory action, litigation, remediation, reputational damage or loss of investor or customer confidence in the Group.

Climate-related physical impacts and transition-related changes may disrupt operations, service delivery or business continuity, including through electricity outages caused by severe weather events or insufficiently coordinated changes in electricity generation, transmission or firming capacity.

All of the above may adversely affect the Group's business, financial condition, operations, prospects and liquidity.

Environmental risks – Financial risk impacts

Environmental risks may give rise to financial risk, primarily through credit risk, where they affect customers, counterparties, collateral, asset values, insurance availability or affordability, portfolio performance or broader economic conditions.

Physical climate risks, nature-related impacts and insurance constraints may impair the condition, resilience or value of assets underlying the Group's exposures or collateral. This may reduce borrowers' ability to service debt and increase defaults, losses given default or concentrations in higher-risk exposures which may adversely affect the Group's business, financial conditions, operations, prospects and liquidity. The Group's assets held in certain industries and/or locations, or those held in investment portfolios, could also become less valuable as a result of being misaligned with low carbon policy or community expectations.

A disorderly transition to a low-carbon economy, or one or more severe physical events, could disrupt the global or local economy and contribute to a macroeconomic downturn. This may result in credit losses, increased impairments, reduced revenue or increased funding costs, and adversely affect the Group's business, financial condition, operations, prospects, liquidity or access to funding. These impacts may result in financial loss to the Group, including through credit impairment, reduced revenue, increased funding costs, regulatory action, litigation or remediation.

Social Strategic Risks

Social-related strategic risks may arise where the Group's strategy, policies, products or services do not adequately address social risks or meet stakeholder expectations. This includes where the Group's actions or commitments are considered insufficient or inconsistent with community, regulator or investor expectations.

These risks include human rights, including the rights of Aboriginal and Torres Strait Islander peoples, modern slavery, customer vulnerability and financial hardship, domestic violence and financial abuse, community wellbeing, accessibility and inclusion. They may also arise through the Group's customers, counterparties, suppliers and other third parties, including where the Group is associated with actual or perceived adverse social impacts, unsafe or unethical practices, corruption or weak governance.

If social risks are not appropriately identified, assessed or managed, this may result in financial loss to the Group, including through regulatory action, litigation, customer remediation or reputational damage which may adversely affect the Group's business, financial condition, operations, prospects and liquidity.

Social – Non-financial risk impacts

Social risks may give rise to non-financial risk where the Group does not appropriately meet customer needs or protect customers experiencing vulnerability or hardship. Social and economic pressures may increase the number of customers requiring support, including those affected by cost-of-living pressures, financial hardship, fraud and scams, housing or insurance affordability constraints, domestic violence and financial abuse, or severe weather events. If the Group's response is ineffective or perceived as unfair, this may result in regulatory action, remediation, litigation, reputational damage or financial loss which may adversely affect the Group's business, financial condition, operations, prospects and liquidity.

Organisational capability and culture risks may adversely affect the Group's business, operations and financial condition

The Group may be unable to execute effectively on its strategy due to inadequate skills and capabilities and a misaligned organisational culture.

The Group's ability to attract and retain qualified and skilled executives, employees and Board members is an important factor in achieving the strategic objectives of the Bank and its subsidiaries. The Chief Executive Officer, the management team of the Chief Executive Officer and the Board have skills that are critical to setting the strategic direction, driving an appropriate organisational culture, successfully managing growth of the Group, and whose loss due to resignation, retirement, death or illness may adversely affect the Group's business, operations and financial condition.

The progression of new technologies, such as artificial intelligence (**AI**), changing macroeconomic conditions, and increasing regulatory expectations, requires leaders with new and different skill sets (particularly engineering, technology, data, cyber, environmental and social and analytics) and deep banking expertise to deliver the performance expected by shareholders.

With historically low unemployment rates in Australia and New Zealand across the corporate sector, these skills are becoming increasingly difficult to attract and retain, particularly with competition from global technology firms, platform-based ecosystems and other non-traditional entrants.

The Group's business, operations and financial condition could be adversely affected if it has difficulty driving the appropriate organisational culture necessary to achieve its strategy and retaining or attracting highly qualified people for important roles, including key executives and Board members, particularly in times of strategic change.

Failure to maintain capital adequacy requirements would adversely affect the Group's financial condition

Capital adequacy risk is the risk that the Group does not hold sufficient capital and reserves to capitalise on strategic opportunities, cover exposures and withstand losses from extreme events.

The Group must satisfy substantial capital requirements, subject to qualitative and quantitative review and assessment by its regulators. Regulatory capital requirements influence how the Group uses its capital and can restrict its ability to manage capital across the entities in the Group, to pay dividends and Additional Tier 1 distributions, or to buy back shares, or require the Group to raise more capital, or restrict balance sheet growth. The Group's capital ratios may be affected by a number of factors, including earnings, asset growth and quality and resulting movements in the Group's RWA, changes in the value of the Australian dollar against other currencies in which the Group conducts its business, changes in regulatory requirements, and changes in business strategy (including acquisitions, divestments, investments and changes in capital intensive businesses). Additionally, if the information, models, or the assumptions upon which the Group's capital requirements are assessed prove to be inaccurate, this may adversely impact the Group's operations, financial performance and financial position.

The Group operates an Internal Capital Adequacy Assessment Process (the **ICAAP**) to manage its capital levels and to maintain them above the minimum levels approved by the Board (which are currently set to exceed regulatory requirements). The ICAAP includes forecasting and stress testing of capital levels, which guides the Group in selecting any capital management initiatives it may undertake.

Should the ICAAP forecasts or stress tests prove to be ineffective, the Group may not be holding sufficient capital and may need to raise capital to manage balance sheet growth and/or stress.

Damage to the Group's reputation could undermine the trust of stakeholders, erode the Group's brand and harm its business, financial condition, operations and prospects

The Group's reputation is a valuable asset and a key contributor to the support that it receives from the community for its business initiatives and its ability to raise funding or capital. Damage to the Group's reputation may arise where there are differences between stakeholder expectations and the Group's actual or perceived practices. Reputational damage may also be a secondary outcome of other sources of risk.

Various issues, including a number of the risks described herein, may give rise to reputational damage and in turn cause harm to the Group's business, financial condition, operations and prospects. These issues include the conduct of the Group (for example, inadequate sales and trading practices, inappropriate management of conflicts of interest, inappropriate management of emerging categories of vulnerable customers from cost of living pressures and increasingly severe weather events and other ethical issues), breaches of legal and regulatory requirements (such as money laundering, counter-terrorism financing, trade sanctions, privacy and anti-hawking laws), technology and information security failures, unsuccessful strategies or strategies that are not in line with community expectations and non-compliance with internal policies and procedures. The Group's reputation may also be adversely affected by community perception of the broader financial services industry, or from the actions of its competitors, customers, suppliers or companies in which the Group holds strategic investments.

The Group has in the past, and may in the future, be challenged on its strategy by shareholders, including institutional shareholders, and special interest groups. Areas which have attracted investor activism in Australia include making socially responsible investments and avoiding financing or interacting with businesses that do not demonstrate responsible management of environmental and social issues. The prevalence of investor activism could impact management's decision-making and implementation of the Group's initiatives, which in turn could adversely affect its financial results.

Reputational damage could also arise from the Group's failure to effectively manage risks, enforcement or supervisory action by regulators, adverse findings from regulatory reviews and failure or perceived failure to adequately respond to community, environmental, social and ethical issues.

Failure, or perceived failure, to address these issues appropriately could also give rise to additional legal or regulatory risk, subjecting the Group to regulatory enforcement actions, fines and penalties, or further damage the Group's reputation and integrity among its stakeholders including customers, investors and the community.

Compliance Risk

The Group is subject to compliance risks, which could adversely impact the Group's future results and reputation

Compliance risk is the risk of legal or regulatory sanctions, material financial loss or loss of reputation that the Group may incur as a result of its failure to comply with its obligations. Compliance risk may also arise where the Group interprets its obligations differently from regulators or a court.

Increasing volume, complexity and global reach of such requirements, and the increased propensity for sanctions and the level of financial penalties for breaches of requirements, could adversely impact the Group's results and reputation.

This includes for example, financial crime related obligations such as anti-money laundering and counter-terrorism financing laws, anti-bribery and corruption laws, modern slavery laws, and economic and trade sanctions laws in the jurisdictions in which the Group operates. The number and wide reach of these obligations, combined with the increasing global focus on compliance with and enforcement of these obligations, presents a risk of adverse impacts on the Group, including to its reputation.

The Group may incur losses as a result of not complying with financial crime legislation

The Group has a critical role to play in protecting its customers, the community, and the integrity of the financial system from financial crimes. The Group is required to comply with legislation targeting

financial criminal activities globally, including sanctions, Anti-Money Laundering and Counter-Terrorism Financing (**AML/CTF**), anti-bribery and corruption and anti-tax evasion facilitation. The Group continues to address its AML/CTF failings including those that resulted in AUSTRAC commencing enforcement action against the Group in 2017. The Group continues to invest in risk assessment tools, data and processes to better understand and detect financial crime risks. As this work progresses, further compliance issues may be identified and reported to regulators, and additional enhancements of systems and processes may be required. The Group works closely with AUSTRAC and international regulators, law enforcement bodies and the Fintel Alliance to detect and deter financial crimes. The Group has initiatives to build capability on the frontlines to help in identifying criminal activity. However, there is no assurance that AUSTRAC or the Group's other regulators will agree that the Group's enhancements to its financial crime compliance capabilities are adequate or will effectively enhance the Group's financial crime compliance programmes across its business units and the jurisdictions in which it operates.

The Group may incur losses as a result of not complying with privacy legislation

The Group collects and handles a large volume of personal information of individuals. A failure to appropriately collect, handle and protect this personal information in accordance with domestic and international privacy laws can expose the Group to regulatory breaches, reputational damage, financial loss for customers, fines and penalties.

The Group may be adversely affected by substantial legal liability or regulatory action

Due to the nature of the Group's business, it is involved in litigation proceedings, principally in Australia and New Zealand. Such matters are subject to many uncertainties, and the outcome of individual matters cannot be predicted with certainty. If the Group is ordered to pay money (for example, damages, fines, penalties or legal costs), has orders made against its assets (for example, a charging order or writ of execution), is ordered to carry out actions which adversely affect its business operations or reputation (for example, corrective advertising) or is otherwise subject to adverse outcomes of litigation, arbitration and regulatory proceedings, the Group's business, financial condition, operations, prospects and reputation may be adversely affected.

Some of the main litigated claims CBA or a current or former Group entity is defending include (a) one class action relating to superannuation products, (b) one class action relating to financial advice, and (c) two shareholder class action proceedings relating to alleged breaches of CBA's continuous disclosure obligations. The class action relating to superannuation products is listed for trial before the Federal Court of Australia (Federal Court) commencing 9 November 2026. The settlement, with no admission of liability, of another class action relating to superannuation products was approved by the Federal Court on 25 March 2026. The appeal of the judgment of the Federal Court dismissing the class action relating to financial advice was heard by the Full Court of the Federal Court (**Full Court**) in March 2026, with judgment reserved. The approval of the settlement, with no admission of liability, of another class action relating to financial advice will be heard on 3 August 2026. In the two shareholder class actions, the appeal (and cross-appeals) of the judgment of the Full Court, which found that CBA had breached its continuous disclosure obligations in the period from about 24 April 2017 to 3 August 2017, but dismissing the applicants' individual claims, was heard by the High Court of Australia on 11 and 12 June 2026, with judgment reserved. The settlement, with no admission of liability, of a class action against CBA subsidiary ASB, relating to ASB's compliance with parts of the Credit Contracts and Consumer Finance Act 2003 (NZ) (**CCCFA**), was approved by the High Court of New Zealand on 14 January 2026. In addition, in a civil penalty proceeding commenced by the New Zealand Financial Markets Authority against ASB relating to multi-policy discounts that were not applied to certain insurance policies, and fees that were incorrectly charged to some customers, ASB admitted liability for all alleged causes of action and the High Court of New Zealand imposed the recommended penalty of NZ$2.1 million. Further, a civil penalty proceeding was commenced by the Reserve Bank of New Zealand in the High Court of New Zealand against ASB alleging breaches of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (NZ) (**AML/CFT Act (NZ)**). ASB admitted liability for all alleged causes of action and agreed with RBNZ to jointly recommend to the High Court of New Zealand that a penalty of NZ$6.7 million was appropriate. Following a hearing on 9 March 2026, the High Court of

New Zealand imposed that penalty, which ASB has paid. Further details about some of these claims and other matters can be found in Note 7.2 of the HY 2026 Financial Statements (as defined above). In June 2026, the New Zealand Commerce Commission commenced civil enforcement proceedings against ASB in the High Court of New Zealand for alleged breaches of the CCCFA. Any final penalty will be determined by the High Court of New Zealand.

Both in Australia and offshore, the financial services industry is subject to evolving regulatory environments and heightened levels of regulatory reviews and investigations. There are also a range of ongoing matters where domestic or foreign regulators or other bodies are investigating whether CBA, ASB or another Group entity has breached legal, regulatory or other obligations. There has been a recent increase in the number of matters on which the Group has engaged with regulators (including an increase in investigations and reviews). These matters include investigations of a number of issues which were notified to, or identified by, regulators or other bodies. For the Group (excluding ASB), the scope of regulatory investigations and reviews relates or has related in recent years to matters including fee (or other) disclosure obligations, obligations to (or expectations of) customers, responsible lending practices, customer remediation, securities market participation, design and distribution obligations, interest and fees and the entitlement to charge them, regulatory reporting and scams. For ASB, the scope of regulatory investigations and reviews relates or has related in recent years to matters including anti-money laundering and counter financing of terrorism obligations, responsible lending practices, disclosure obligations, interest and fees and the entitlement to charge them, customer remediations, competition and fair dealing obligations. Where a breach has occurred or obligations have not been met by a Group entity, regulators or other bodies may commence civil or criminal proceedings, impose, or apply to a Court for, fines and/or other sanctions, or may require remediation or may exercise other regulatory powers.

The Group undertakes ongoing compliance activities, including regulatory engagement, breach reporting, and customer remediations. The Group also conducts reviews of products, conduct, services and disclosures provided to customers (including interest, fees and premiums charged), as well as scams, fraud and financial crime matters. Some of these activities have resulted in remediation programs and, where required, the Group engages with relevant regulators and other bodies on the proposed remediation action.

While the Group regularly monitors and tests controls, there is also a risk of undetected failures of internal controls, or the ineffective remediation of compliance incidents which could lead to breaches and may result in potential penalties.

The Group is party to an enforceable undertaking with the Australian Communications and Media Authority relating to CBA's compliance with the Spam Act 2003 (Cth), which was entered into in June 2023 and amended in October 2024. The Group has completed a compliance programme ordered by the Federal Court of Australia as part of the proceedings which ASIC commenced against Commonwealth Securities Limited (**CommSec**). Further details about the enforceable undertaking and compliance programme can be found in Note 7.2 of the HY 2026 Financial Statements. Although the Group is currently in compliance with the enforceable undertaking and the compliance programme order, if the regulator or court determines the Group is no longer in compliance, additional sanctions could be levied or additional rectification steps could be required.

The Group is exposed to risks of fraud, scams and financial crime through its interactions with customers, service providers, internal actors and other external parties. These risks may expose the Group to financial loss, customer remediation, reputational damage, regulatory action and litigation.

The Group continues to invest in people, systems, processes and controls to respond to a rapidly evolving operating environment. This includes responding to ongoing legislative reforms and other risks such as the increasingly sophisticated use of technology by criminals targeting the financial system to perpetrate scams, fraud, and cyberattacks.

The Group plays a crucial role in mitigating the impact of financial crime and it continues to make significant investment in its financial crime disruption capabilities (including in relation to AML/CTF,

sanctions, anti-bribery and corruption and anti-tax evasion facilitation) delivered by a range of risk, compliance, operations, technology and business teams.

The Group also continues to undertake activities to improve financial crime related processes and controls, including in relation to data completeness and accuracy, transaction monitoring coverage, customer risk assessment, and the quality and timeliness of ongoing customer due diligence.

As noted in Note 7.2 of the HY 2026 Financial Statements, in 2018 the Group resolved the AUSTRAC proceedings against CBA relating to contraventions of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and, as noted above, in December 2025, the RBNZ commenced proceedings against ASB alleging breaches of the AML/CFT Act (NZ). CBA and ASB continue to address the underlying causes of their respective AML/CTF law failings that resulted in AUSTRAC and the RBNZ commencing their respective proceedings.

The Group continues to review and remediate a number of known AML/CTF compliance issues. As this work progresses, further compliance issues have been and may continue to be identified and reported to AUSTRAC or other regulators, who may also investigate certain matters, and additional enhancements of systems and processes may be required. The Group provides updates to AUSTRAC and other domestic and foreign regulators on its AML/CTF Programme and other financial crime compliance capabilities, related enhancements and remediation activities. However, there is no assurance that AUSTRAC or other regulators will agree that the Group's enhancements to its financial crime compliance capabilities, including through the multi-year enhancements, are adequate or will effectively enhance the Group's financial crime compliance programmes across its business units and the jurisdictions in which it operates. There is also a risk of undetected failure of internal controls, or the ineffective remediation of compliance issues which could lead to breaches of AML/CTF laws, sanctions, anti-bribery and corruption, or anti-tax evasion facilitation obligations, and result in potentially significant monetary and regulatory penalties.

Significant reforms to Australia's AML/CTF laws were introduced under the Anti-Money Laundering and Counter-Terrorism Financing Amendment Act 2024 (Cth). A substantial number of new requirements commenced on 31 March 2026, including provisions that apply to CBA and its subsidiaries, including in relation to designated services provided offshore. Given the scale and complexity of these reforms, the Group is not currently compliant with all new requirements. AUSTRAC has acknowledged there are industry-wide compliance challenges given the timeframe to comply and complexity of the reforms, and has published its regulatory expectations noting that entities should have a documented implementation plan where they are unable to meet new or changed obligations within the required timeframes. The Government has made transitional rules to allow additional periods of time for reporting entities to comply with some of the new obligations, including new obligations regarding initial customer due diligence. The Group has developed and is implementing a large-scale implementation plan across multiple years to seek to achieve compliance with these reforms, which includes significant investment in technology infrastructure, enhanced customer due diligence processes, expanded transaction monitoring and reporting capabilities, and updates to policies and control frameworks. The Group continues to engage with AUSTRAC on the reforms. Risks associated with the reforms include that the Group's implementation plan (in whole or in part) may not align with AUSTRAC's expectations, including with regard to timeframes, that implementation may be delayed or not achieve the intended compliance outcomes, and that the Group may be subject to regulatory scrutiny or enforcement action in relation to inadequate compliance with the new reforms. A failure to adequately update the Group's systems and processes to address the evolving complexity of financial crime risk could result in breach of financial crime laws, which may result in substantial financial penalties, reputational damage or materially adversely impact the Group.

The Group is not currently aware of any active enforcement proceeding commenced by any domestic or foreign regulators in respect of its financial crime compliance.

As the Group regularly engages with such regulators, including in respect of compliance incidents, there can be no assurance that the Group will not be subject to further enforcement proceedings in the future.

In addition to investigations and reviews by regulators and other bodies, enforcement actions, fines and other financial penalties, there may also be financial exposure to claims by customers, third parties and/or shareholders. This could include further class actions, customer remediation, claims for compensation or other remedies. The outcomes and total costs associated with such matters, and possible claims, collectively, remain uncertain.

Additionally, investigations, actions, claims and proceedings may harm the Group's business and results by negatively impacting the Group's reputation among the Group's customers, investors and other stakeholders. Reputational harm could result in the loss of customers or restrict the Group's ability to access the capital markets on favourable terms, which could have a material adverse effect on the Group's business, financial condition, operations, prospects and reputation.

The Group may incur losses as a result of inappropriate conduct

The Group could be adversely affected if the Group or an employee, contractor or external service provider of the Group does not act in accordance with regulations or its policies and procedures, engages in inappropriate or fraudulent conduct, or unintentionally fails to meet a professional obligation to specific clients. Examples are inadequate or defective financial advice, inappropriate lending practices, product defects and unsuitability, market manipulation, insider trading, privacy or data security breaches and misleading or deceptive conduct in advertising. As a result, the Group could incur losses, financial penalties and reputational damage, and could be subject to legal or regulatory action.

Operational Risk

The Group may incur losses from operational risks associated with being a large financial institution

Operational risk is defined as the risk of financial gain or loss resulting from (i) inadequate or failed internal processes; (ii) people; (iii) systems; or (iv) external events. The continuity and resilience of the Group's operations is crucial for serving its customers, upholding community trust and maintaining its reputation.

The Group is exposed to operational risk through a number of specific risk types that require specific skills, infrastructure, procedures and governance to ensure their effective oversight and management. The Group may also be adversely impacted by failures in the efficacy, adequacy or implementation of these risk management strategies, frameworks and processes. The emergence of unexpected risks or unanticipated impacts of identified risks may result in financial or reputational losses for the Group.

The Group may be adversely affected by cyber-security risks

The Group's information technology systems, including those supplied by external service providers, are subject to information security risks. Cyber-attacks have the potential to cause financial system instability and could result in serious disruption to customer banking services, or compromise customer data privacy.

Information security risks for the Group have increased in recent years, in line with: (i) the pervasiveness of technology to conduct financial transactions; (ii) the evolution and development of new technologies, including the widespread adoption of AI; (iii) the Group's increasing usage of digital channels; (iv) customers' increasing use of personal devices that are beyond the Group's control systems; (v) increased remote working by the Group's employees; and (vi) more well-organised and resourced cyber criminals employing new technologies, such as AI to exploit vulnerabilities on an ever-increasing attack surface.

Cyber-attacks have the potential to cause financial system instability. Current geopolitical tensions elevate the threat environment in which the Group may be a target for denial-of-service attacks, phishing attacks, ransomware attacks, computer viruses or other malicious code and other events. These threats could result in the unauthorised access, release, gathering, monitoring, misuse, loss or destruction of confidential, proprietary and other information of the Group, its employees, customers or third parties or otherwise adversely impact network access or business operations.

An information security failure (including the impact of any cyber-attack), or more general mishandling of data, could have serious consequences for the Group, including operational disruption, financial losses, a loss of customer or business opportunities, litigation, regulatory penalties or intervention,

reputational damage, theft of intellectual property, loss or theft of customer data, and could result in violations of applicable privacy laws.

A number of large Australian enterprises experienced significant cyber-attacks in recent years. Intense public response to these attacks has led to increased political and regulatory focus, including the release of the 2023-2030 Australian Cyber Security Strategy and subsequent discussions and consultation on legislation reforms, with the potential for future significant increases in penalties for privacy breaches. Should the Group be the target of such an attack, then in addition to the risks discussed above, there is a risk of reputational damage in light of the public response to such an attack and/or penalties imposed by a regulator which may materially adversely affect the Group's operations. The theft of customers' personal information in cyber-attacks more broadly has the potential for identity theft, which in turn affects the Group's Know Your Customer (**KYC**) procedures.

The Group may be adversely affected by fraud and scam risks

The Group is exposed to fraud and scam risks on an ongoing basis, through its products and services, customer interaction, employees, contractors, third party service providers, digital channels, payment systems and other aspects of its operations. Fraud or scam activity may involve the theft or misappropriation of funds or assets, deception of customers or employees, identity misuse, unauthorised account activity, compromise of systems or confidential information, and malicious use of emerging technologies, including generative AI and deepfakes.

Regulatory and governmental focus on scams has increased in Australia and other jurisdictions. In Australia, the Scam Prevention Framework (**SPF**) introduced new standards for governance and substantive obligations in relation to scam prevention, detection, disruption, reporting and responding to customers. Banks are expected to be designated as regulated entities required to comply with the obligations set out in the SPF, as well as sector specific codes and rules, which are yet to be published by Treasury. The SPF includes provisions for consumer redress, which may mean that the Group may face increased complaints, claims, remediation, compensation or other redress payments, and related operational costs in relation to scams. Failure, or alleged failure, by the Group to comply with applicable SPF obligations, including any applicable sector-specific code or rule, may expose the Group to civil penalties, infringement notices, enforceable undertakings, injunctions, remedial orders, litigation, regulatory enforcement action and adverse publicity. Any of these matters could adversely affect the Group's business, operations, financial performance, financial condition and reputation.

The Group may be adversely affected by business disruption risks

The Group is exposed to the risk of disruption to business processes from internal technology issues and emerging geopolitical threats, including cybersecurity issues, the loss of service providers, the loss of the Group's staff or workplaces, or natural disaster.

Disruptions can impact customers' ability to consume critical business services, including access to funds and ability to make payments and transfers. Prolonged or repeated business disruptions could adversely affect the Group's reputation, result in regulatory compliance failures and ultimately require the Group to enter into enforceable undertakings to rectify the failures. Effective operational resilience, physical security and crisis management capabilities increase the Group's resilience to business disruption and can minimise customer, community, financial, legal, regulatory, reputation and other material consequences.

The Group may be adversely affected by technology risks

The Group's businesses are highly dependent on its information technology network of systems, including those supplied by external service providers, to safely and securely process, store, maintain availability, keep private and transmit information.

The Group provides numerous services to customers through a complex technology infrastructure that requires ongoing updates, maintenance, monitoring and configuration to ensure its network, software applications (including AI) and hardware, including those supplied by external service providers, are

resilient, stable and protected from physical damage, malicious or unintentional acts, or ineffective change management processes.

Disruption to business systems from failure of technology infrastructure and governance can materially impact customers, communities and shareholders, resulting in significant financial and reputational losses for the Group, and result in material fines and penalties.

The Group may be adversely affected by third party risks

The Group's reliance on third parties, especially those service providers that provide or support its critical operations, such as key technology systems or support, which are foundational to the delivery of products and services, expose the Group to material operational risks that could be severe in nature.

Financial instability, geopolitical tensions across the global landscape, and the rapidly evolving use and reliance on artificial intelligence by third parties have led to general uncertainty and concerns over the stability of global supply chains. This context is likely to persist with impacts on third-party service providers of the Group.

The Group may be adversely affected by data management risks

The Group manages a large volume of data. There is a risk that poor decisions may be made due to failure to appropriately manage and maintain the quality of the Group's data. This includes breakdowns in the capture, processing, publication, retention and disposal of data. Failure to appropriately manage and maintain the Group's data, including use of data in a manner inconsistent with the Group's obligations and values may result in a loss of trust, operational disruptions, financial losses or regulatory action.

The Group may be adversely affected by modelling risks

As a large financial institution, the Group relies on a number of models for material business decisions. Incorrect model design or improper model implementation, maintenance and use can result in incorrect business decisions.

The Group may be adversely affected by transaction processing risks

The Group's businesses are highly dependent on their ability to process and monitor a very large number of transactions, many of which are highly complex, across multiple markets and in many currencies. The Group's payment, settlement, collateral management, financial, accounting, record keeping, data processing or other operating systems, processes and facilities may fail to function properly or may become disabled as a result of events that are wholly or partially beyond its control, such as a spike in transaction volumes, damage to critical utilities, environmental hazards, natural disaster, or a failure of a vendor's systems.

The Group may be adversely affected by people risks

The Group employs a large workforce and is therefore exposed to the risk of breaches of employment legislation, mismanagement of employee relations, and physical or mental injury or death of employees or people on Group premises where the Group is liable.

Due to the size and complexity of the Group's workforce, developments or decisions in labour law may have an impact on the Group's employment arrangements, causing a change in the Group's workforce or the labour cost base, any of which may have an adverse impact on the Group's financial performance and reputation. In addition, if employees take industrial action, the Group could be exposed to loss to the extent the industrial action impairs the Group's ability to provide services or causes disruptions to the Group's operations.

The Group may be adversely affected by accounting, reporting and taxation risks

The Group may be exposed to risks from failure to meet statutory and regulatory reporting, tax payment and filing requirements.

Management must exercise judgement in selecting and applying the Group's accounting policies so that they comply with generally accepted accounting principles and reflect the most appropriate manner in which to record and report on the financial position and results of the Group. Inappropriate application of accounting policies may adversely impact the Group's results.

The Group is subject to regulatory reporting obligations which require accurate and timely submission of regulatory reports sourced from multiple systems and subject to interoperation under various regulatory frameworks. The Group relies on its policies, processes and controls to ensure regulatory reporting is complete, accurate and complies with applicable regulatory reporting requirements. Deficiencies in the Group's data, systems, controls or interpretation may result in inaccurate, incomplete or delayed reporting, which could lead to regulatory scrutiny, remediation obligations, financial penalties, enforcement action, reputational damage or loss of stakeholder confidence, which may adversely affect the Group's business, financial condition, results of operations, prospects or liquidity.

Credit Risk

The Group may incur losses associated with credit risk exposures

The Group assumes counterparty risk in connection with its lending, trading, derivatives and other businesses as it relies on the ability of its customers to satisfy their financial obligations to the Group on a timely basis. For example, customers may default on their home, personal and business loans, and trades may fail to settle due to non-payment by a counterparty or a systems failure by clearing agents, exchanges or other financial intermediaries. This risk also arises from the Group's exposure to lenders' mortgage insurance and re-insurance providers. There is also a risk that the Group's rights against counterparties may not be enforceable in certain circumstances.

Less favourable business or economic conditions, whether generally or in a specific industry sector or geographic region, as well as the occurrence of events such as natural disasters or geopolitical developments, could cause customers or counterparties to fail to meet their obligations in accordance with agreed terms.

Counterparties may default on their obligations due to insolvency, lack of liquidity, operational failure or other reasons. This risk may be increased by deteriorating economic conditions, including sustained periods of higher interest rates, elevated unemployment, or the occurrence of natural disasters or geopolitical events.

In assessing whether to extend credit or enter into other transactions, the Group relies on customers providing information that is accurate and not misleading, including financial statements and other financial information, information and undertakings in relation to any collateral pledged as security for credit risk exposures as well as disclosures relating to counterparties' exposure to material environmental and social risks. The Group's assessment of credit risk and its financial performance could be negatively impacted to the extent that it relies on information that is inaccurate, incomplete or materially misleading.

In the May 2026 Statement on Monetary Policy, the RBA observed that financial conditions in Australia had tightened following increases in the cash rate and that inflation remained elevated. A prolonged period of higher interest rates and weaker economic conditions may adversely affect the ability of borrowers to meet their repayment obligations increasing the risk of mortgage stress, business insolvencies and defaults particularly among customers with lower financial resilience.

Substantial aggregate unexpected credit losses could have a significant adverse effect on the Group's business, financial condition, operations and prospects.

Liquidity Risk

The Group's results may be adversely affected by liquidity and funding risks

The Group is subject to liquidity and funding risks, which could adversely impact the Group's future results. Liquidity risk is the risk of being unable to meet financial obligations as and when they fall due.

Funding risk is the risk of over-reliance on a funding source to the extent that a change or increased competition in that funding source could increase overall funding costs or cause difficulty in raising funds. A loss of investor and/or customer confidence in the financial resilience of the Group may exacerbate the Group's liquidity and funding risks.

Further information on liquidity and funding risk is outlined in Note 9.4 of the 2025 Financial Statements which provides an overview of the Group's liquidity and funding risk management framework.

Adverse financial and credit market conditions may significantly affect the Group's ability to access international debt markets, on which it relies for a substantial amount of its wholesale funding

While the majority of the Group's funding comes from deposits, it remains reliant on offshore wholesale funding markets to source a significant amount of its wholesale funding and to grow its business.

Global market volatility may adversely impact the cost of, and the Group's ability to access wholesale funding markets and may also result in increased competition for, and therefore the cost of, deposits in Australia.

Geopolitical uncertainties remain elevated and may have a significant impact on the global economy and global markets if escalated or intensified. A reduction of fiscal and monetary stimulus and liquidity measures may result in increased competition for deposits and other funding sources, and therefore increased funding costs.

If the Group is unable to pass its increased funding costs on to its customers, its financial performance will decline due to lower net interest margins. If the Group is forced to seek alternative sources of funding, the availability of such alternative funding and the terms on which it may be available will depend on a variety of factors, including prevailing financial and credit market conditions. Even if available, the cost of these alternatives may be more expensive or they may only be available on unfavourable terms, which may adversely impact the Group's cost of borrowing and the Group's ongoing operations and funding.

If the Group is unable to source appropriate and timely funding, it may also be forced to reduce its lending or consider selling assets.

The Group may not be able to maintain adequate levels of liquidity and funding, which would adversely affect the Group's business, financial condition, operations and prospects

The Group's liquidity and funding policies are designed to ensure that it will meet its debts and other obligations as and when they fall due. Although the Group actively monitors and manages its liquidity and funding positions, there are factors outside of its control which could adversely affect these positions. For example, if financial markets are closed for an extended period of time, if there is a change in customer behaviour, or if there is a loss of investor and/or customer confidence in the financial resilience of the Group, it may lead to an outflow of deposits which will adversely impact the Group's liquidity and funding position.

If the Group fails to maintain adequate levels of liquidity and funding, it would adversely affect the Group's business, financial condition, operations and prospects.

Failure to maintain credit ratings could adversely affect the Group's cost of funds, liquidity, access to debt and capital markets, and competitive position

The Group's credit ratings (which are strongly influenced by Australia's sovereign credit rating) affect the cost and availability of its funding from debt and other funding sources. Credit ratings could be used by potential customers, lenders and investors in deciding whether to transact with or invest in the Group.

A downgrade to the Group's credit ratings, or the ratings of the Commonwealth of Australia, could adversely affect the Group's cost of funds, liquidity, access to debt and capital markets, collateralisation requirements and competitive position.

Market Risk

Failure to hedge effectively against market risks (including adverse fluctuations in exchange rates) could negatively impact the Group's results of operations

The Group is exposed to market risks, including the potential for losses arising from adverse changes in interest rates, foreign exchange rates, commodity and equity prices, credit spreads, basis risk and implied volatility levels for assets and liabilities. This exposure is split between traded market risks, primarily through providing services to customers on a global basis, and non-traded market risks, predominantly interest rate risk in the Group's banking book.

Changes in market factors such as potential developments or future changes in the administration of financial benchmark interest rates could result in adverse consequences to the return on, value of and market for, securities and other instruments whose returns are linked to any such benchmark, including those securities or other instruments issued by the Group. If the Group was to suffer substantial losses due to any market volatility, it may adversely affect the Group's financial performance or financial condition.

Additionally, a significant proportion of the Group's wholesale funding and some of its profits and investments are in commodities and currencies other than the Australian dollar, primarily the U.S. dollar, the Euro and the New Zealand dollar. This exposes the Group to exchange rate risk on these activities, as the Group's functional and financial reporting currency is the Australian dollar. These activities are hedged where appropriate, however there are also risks associated with hedging. For example, a hedge counterparty may default on its obligations to the Group. For a description of these specific risks, refer to Note 9.3 to the 2025 Financial Statements. There can be no assurance that the Group's exchange rate hedging arrangements or hedging policy will be sufficient or effective. The Group's results of operations may be adversely affected if its hedges are not effective to mitigate exchange rate risks, if the Group is inappropriately hedged or if a hedge provider defaults on its obligations under the Group's hedging agreements.

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

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

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

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

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

All payments of principal and interest (if any) in respect of Covered Bonds will be made subject to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges required by law. In the event of a withholding or deduction being made by the Covered Bond Guarantor, the Covered Bond Guarantor will not be obliged to pay any additional amounts

as a consequence. In addition, the Covered Bond Guarantor will not be obliged at any time to make any payments in respect of additional amounts which may become payable by the Issuer under Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable). Prior to the service on the Covered Bond Guarantor and the Issuer of a Covered Bond Guarantee Acceleration Notice, the Covered Bond Guarantor will not be obliged to make payment in respect of any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums, default interest or interest upon interest which may accrue on or in respect of the Covered Bonds.

Subject to any grace period, if the Covered Bond Guarantor fails to make a payment when Due for Payment under the Covered Bond Guarantee or any other Covered Bond Guarantor Event of Default occurs and is continuing, then the Bond Trustee may, and if so requested in writing by the holders of at least 25% of the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds then outstanding or if so directed by an Extraordinary Resolution of all the Covered Bondholders will, accelerate the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee by service of a Covered Bond Guarantee Acceleration Notice, whereupon the Bond Trustee will have a claim under the Covered Bond Guarantee for an amount equal to the Early Redemption Amount of each Covered Bond, together with accrued interest and all other amounts then due under the Covered Bonds (other than additional amounts payable under Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable)). Following service of a Covered Bond Guarantee Acceleration Notice, the Security Trustee may enforce the Security over the Charged Property. Pursuant to the terms of the Security Deed, the proceeds of enforcement and realisation of the Security will be required to be applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments in the Security Deed, and Covered Bondholders will receive amounts from the Covered Bond Guarantor (if any) on an accelerated basis.

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

Excess Proceeds received by the Bond Trustee

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

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

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

Following the service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor's ability to meet its obligations under the Covered Bond Guarantee will depend on (a) the realisable value of Selected Mortgage Loan Rights forming part of the Assets of the Trust, (b) the Principal Collections and Finance Charge Collections generated by the Mortgage Loan Rights forming part of the Assets of the Trust and the timing thereof, (c) amounts received from the Swap Providers, (d) the realisable value of Substitution Assets and Authorised Investments held by it and (e) the receipt by it of credit balances

and interest on credit balances on the GIC Account. Recourse against the Covered Bond Guarantor under the Covered Bond Guarantee is limited to the aforementioned assets and the Covered Bond Guarantor will not have any other source of funds available to meet its obligations under the Covered Bond Guarantee.

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

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

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

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

The Asset Coverage Test, the Amortisation Test, the Interest Rate Shortfall Test, the Yield Shortfall Test and the Pre-Maturity Test have in the aggregate been structured to ensure that the Assets of the Trust are sufficient to pay amounts due on the Covered Bonds and senior expenses (which will include costs relating to the maintenance, administration and winding-up of the Assets of the Trust whilst the Covered Bonds are outstanding). However, no assurance can be given that the Assets of the Trust will in fact generate sufficient amounts for such purposes (see "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" and "*Credit Structure – Asset Coverage Test*", "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*" and "*Credit Structure – Amortisation Test*", "*Overview of the Principal Documents – Servicing Deed – Interest Rate Shortfall Test and Yield Shortfall Test*", "*Overview of the Principal Documents – Establishment Deed – Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached*" and "*Credit Structure – Pre-Maturity Test*").

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

Reliance of the Covered Bond Guarantor on third parties

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

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

(b) the Trust Manager has been appointed to provide the administration and cash management services set out in the Programme Documents including, without limitation, assisting the Covered Bond Guarantor in operating the Trust Accounts, keeping and maintaining records,

causing annual accounts of the Trust to be audited and directing the Covered Bond Guarantor in relation to investing moneys standing to the credit of the GIC Account in Substitution Assets or Authorised Investments;

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

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

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

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

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

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

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

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

The Servicer is required to act as collecting agent for the Covered Bond Guarantor (for itself and as trustee of the CBA Trust) in respect of all payments in respect of the Mortgage Loan Rights forming part of the Assets of the Trust (including, without limitation, a Mortgage Loan Scheduled Payment). If the Servicer receives, during a Collection Period, any money whatsoever arising from the Mortgage Loan Rights forming part of the Assets of the Trust which money belongs to the Covered Bond Guarantor and such money is to be paid to the GIC Account pursuant to the Servicing Deed, the Servicer will hold such money on trust for the Covered Bond Guarantor. The Servicer is entitled to commingle such money with any other money held by it. In the event of an insolvency of the Servicer, the ability of the Covered Bond Guarantor to trace and recover any such commingled money may be impaired. The risk of the Servicer not making payment on each Distribution Date immediately following the end of a Collection Period is mitigated by an obligation of the Servicer to transfer the collections into the GIC Account within two Local Business Days of receipt if the Servicer's credit ratings are downgraded below a short-term credit rating of P-1 from Moody's or F1 from Fitch or a long-term credit rating of A from Fitch (or, if Fitch has placed the Servicer on ratings watch negative at the relevant time, below a short-term credit rating of F1+ from Fitch or a long-term credit rating of A+ from Fitch).

None of the Covered Bond Guarantor, the Security Trustee nor the Bond Trustee is obliged in any circumstances to act as a Servicer or to monitor the performance by the Servicer of its obligations.

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

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

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

Change of counterparties

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

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

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

Reliance on Swap Providers

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

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

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

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

(a) (if the Issuer is not the Interest Rate Swap Provider) any such termination payment in respect of the Interest Rate Swap will rank ahead of amounts due on the Covered Bonds; and

(b) any such termination payment in respect of a Covered Bond Swap and (if the Issuer is the Interest Rate Swap Provider) the Interest Rate Swap will rank *pari passu* and rateably with amounts due on the Covered Bonds,

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

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

Insolvency proceedings and subordination provisions

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of

insolvency proceedings or other default on the part of such counterparty. Such provisions are similar in effect to the terms which are included in the Programme Documents relating to the subordination of Excluded Swap Termination Amounts.

The UK Supreme Court has held that a subordination provision of the type described above is valid under English law. However, contrary to the determination of the UK Supreme Court, the US Bankruptcy Court for the Southern District of New York has held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such a provision would violate the automatic stay which applies under such law in the case of a U.S. bankruptcy of the counterparty. However, in a subsequent decision in relation to a similar matter, the U.S. Bankruptcy Court for the Southern District of New York held that such a subordination provision can be enforceable in certain circumstances. The implications of the conflict in the findings of the English courts and the U.S. Bankruptcy Court remain unresolved at this time. Furthermore, Australia has recently introduced legislation that makes ipso facto clauses unenforceable. See "*Legal And Other Considerations - Ipso Facto Moratorium*".

An appeal against the 2018 U.S. District Court decision has since been filed, however that appeal has not yet been decided. In the interim, the 2018 decision provides comfort that flip clauses will be captured by the safe harbour provisions protecting a swap participant's rights under a swap transaction under the U.S. Bankruptcy Code. The implications of these conflicting judgments of the UK Supreme Court and the U.S. Bankruptcy Court may not be settled until any right of appeal against the 2018 U.S. District Court decision has been exhausted and the position in the United States is resolved.

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

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

Limited description of the Mortgage Loan Rights

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

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

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

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

There is no assurance that the characteristics of any Mortgage Loan Rights sold to the Covered Bond Guarantor on any Closing Date will be the same as those of the other Mortgage Loan Rights forming part of the Assets of the Trust as at the relevant Closing Date. However, each Mortgage Loan sold to the Covered Bond Guarantor will be required to be an Eligible Mortgage Loan and the Seller will also be

required to make the Representations and Warranties set out in the Mortgage Sale Agreement on such date (see "*Overview of the Principal Documents – Mortgage Sale Agreement – Sale by the Seller of Mortgage Loan Rights*") (although the criteria for Eligible Mortgage Loans and Representations and Warranties may change in certain circumstances (see "*The Bond Trustee and the Security Trustee may agree to modifications to the Programme Documents without, respectively, the Covered Bondholders' or other Secured Creditors' prior consent*")). In addition, the Asset Coverage Test is intended to ensure that on each Determination Date the Adjusted Aggregate Mortgage Loan Amount is an amount at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds for so long as Covered Bonds remain outstanding (prior to the Service of a Notice to Pay or, if earlier, a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer) and the Trust Manager will provide monthly reports that will set out certain information in relation to the Asset Coverage Test.

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

Maintenance of Mortgage Loan Rights

Asset Coverage Test

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

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

Amortisation Test

The Amortisation Test is intended to ensure that, following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Assets of the Trust held from time to time by the Covered Bond Guarantor do not fall below a certain threshold to ensure that the Assets of the Trust are sufficient to meet the Covered Bond Guarantor's obligations under the Covered Bond Guarantee and senior expenses which rank in priority to or *pari passu* and rateably with amounts due on the Covered Bonds. See further "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*". If the aggregate collateral value of the Mortgage Loan Rights forming part of the Assets of the Trust has not been maintained in accordance with the Amortisation Test, then that may affect the realisable value of the Mortgage Loan Rights forming part of the Assets of the Trust (both before and after the occurrence of a Covered Bond Guarantor Event of Default) and/or the ability of the Covered Bond Guarantor to

make payments under the Covered Bond Guarantee. Failure to satisfy the Amortisation Test on any Determination Date following an Issuer Event of Default that is continuing and service of a Notice to Pay on the Covered Bond Guarantor will constitute a Covered Bond Guarantor Event of Default and will entitle the Bond Trustee to accelerate the Covered Bond Guarantor's obligations under the Covered Bond Guarantee against the Covered Bond Guarantor subject to and in accordance with the Conditions.

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

Prior to the service of a Notice to Pay on the Covered Bond Guarantor, the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, verify the calculations performed by the Trust Manager in relation to the Asset Coverage Test on the Determination Date immediately preceding each half yearly and yearly anniversary of the Programme Date.

Following receipt of notice that a Notice to Pay has been served on the Covered Bond Guarantor but prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice, the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, verify the calculations performed by the Trust Manager in relation to the Amortisation Test on the Determination Date immediately preceding each yearly anniversary of the Programme Date.

In addition, the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, verify the calculations performed by the Trust Manager in relation to the Legislated Collateralisation Test on the Determination Date immediately preceding each half yearly and yearly anniversary of the Programme Date on which any Covered Bonds are outstanding.

If and for so long as the long-term unsecured, unguaranteed and unsubordinated debt obligation credit ratings of the Issuer fall below Baa3 by Moody's or BBB- by Fitch (or, if Fitch has placed the Issuer on ratings watch negative at the relevant time, fall below BBB by Fitch), the Trust Manager must give written notice of that fact to the Cover Pool Monitor and upon receipt of such notice, the Cover Pool Monitor will conduct the tests of the Trust Manager's calculations in respect of the Asset Coverage Test or the Amortisation Test, as the case may be, on every Determination Date thereafter.

The Cover Pool Monitor will also be required, as soon as reasonably practicable following each Determination Date immediately preceding each half yearly and yearly anniversary of the Programme Date and following receipt of all necessary information, to assess compliance by the Bank with the requirements sections 31 and 31A of the Australian Banking Act and to assess the keeping by the Trust Manager of an accurate register of the Assets of the Trust.

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

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

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

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

Following the occurrence of any of the following events:

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

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

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

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

The proceeds from any such sale must be deposited into the GIC Account and applied in accordance with the applicable Priority of Payments (see "*Overview of the Principal Documents – Mortgage Sale Agreement – Sale by the Seller of Mortgage Loan Rights*").

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

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

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

accordingly the Covered Bond Guarantor is required to apply other assets forming part of the Assets of the Trust (such as Principal Collections) to redeem that earlier maturing Series of Covered Bonds.

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

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

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

As at the date of this Prospectus, the Pre-Maturity Test has not been breached in relation to any outstanding Series of Hard Bullet Covered Bonds.

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

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

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

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

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

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

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

(a) representations or warranties not being given by the Covered Bond Guarantor or the Seller unless expressly agreed by the Security Trustee or otherwise agreed with the Seller;

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

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

(d) the Covered Bond Guarantor not having legal title to the Mortgage Loan Rights forming part of the Assets of the Trust;

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

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

(g) limited recourse to the Seller;

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

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

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

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

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

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

The guarantee granted by the Covered Bond Guarantor in respect of the Covered Bonds, will, inter alia, be backed by the Covered Bond Guarantor's interest in the Mortgage Loan Rights forming part of the Assets of the Trust. Since the economic value of the Mortgage Loan Rights forming part of the Assets of the Trust may increase or decrease, the value of the Covered Bond Guarantor's assets may decrease (for example if there is a general decline in property values). Neither the Issuer nor the Covered Bond Guarantor makes any representation, warranty or guarantee that the value of Land secured by a Mortgage will remain at the same level as it was on the date of the origination of the related Mortgage Loan or at any other time. The value of the Mortgage Loan Rights forming part of the Assets of the Trust may have been significantly reduced by 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 the value of properties related to the Mortgage Loan Rights forming part of the Assets of the Trust. This, ultimately, may result in losses to the Covered Bondholders if such security is required to be enforced.

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

The Covered Bond Guarantor, the Bond Trustee and the Security Trustee will not undertake any investigations, searches or other actions on any Mortgage Loan Rights and will rely instead on the Representations and Warranties given in the Mortgage Sale Agreement by the Seller in respect of the Mortgage Loan Rights sold by the Seller to the Covered Bond Guarantor.

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

There can be no assurance that the Seller, in the future, will have the financial resources to repurchase Mortgage Loan Rights from the Covered Bond Guarantor. However, if the Seller does not repurchase those Mortgage Loan Rights which are in material breach of the Representations and Warranties as at the date which these are given then the LVR Adjusted Mortgage Loan Balance Amount or the Asset Percentage Adjusted Mortgage Loan Balance Amount of those Mortgage Loans (as applicable) will be deducted from the calculation of the Adjusted Aggregate Mortgage Loan Amount in the calculation of the Asset Coverage Test (except for any Defaulted Mortgage Loans, which for the purposes of calculating the LVR Adjusted Mortgage Loan Balance Amount and the Asset Percentage Adjusted Mortgage Loan Balance Amount, as the case may be, are given a zero value). There is no further recourse to the Seller in respect of a material breach of a Representation or Warranty.

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

Following a breach of the Pre-Maturity Test and/or the occurrence of an Issuer Event of Default that is continuing, service on the Issuer of an Issuer Acceleration Notice and service on the Covered Bond Guarantor of a Notice to Pay (but prior to the service of a Covered Bond Guarantee Acceleration Notice), the Covered Bond Guarantor will be obliged to commence an offer process to sell Selected Mortgage Loan Rights to third party purchasers, subject to a right of pre-emption enjoyed by the Seller pursuant to the terms of the Mortgage Sale Agreement (see "*Overview of the Principal Documents – Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*"). In respect of any sale of Selected Mortgage Loan Rights to third parties, however, the Covered Bond Guarantor will not be permitted to give representations or warranties in respect of those Selected Mortgage Loan Rights (unless expressly agreed by the Security Trustee or otherwise agreed with the Seller). There is no assurance that the Seller would give any warranties or representations in respect of the Selected Mortgage Loan Rights. Any Representations or Warranties previously given by the Seller in respect of the Mortgage Loans forming part of the Assets of the Trust may not have value for a third party purchaser if the Seller is then insolvent. Accordingly, there is a risk that the realisable value of the Selected Mortgage Loan Rights could be adversely affected by the lack of representations and warranties which in turn could adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Australian Mortgage Market

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

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

Geographic concentration of the Mortgage Loans

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

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

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

Default by Borrowers in paying amounts due on their Mortgage Loans

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

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

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

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

If the timing and payment of the Mortgage Loans is adversely affected by any of the events described above, the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee

could be reduced or delayed. In addition, the risks described above could limit the ability of the Bank, as Seller, to originate new Mortgage Loans to sell to the Covered Bond Guarantor in order to satisfy the Asset Coverage Test.

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

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

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

Seller to initially retain legal title to the Mortgage Loan Rights

The Seller will initially retain legal title to the Mortgage Loan Rights and custody of the mortgage title documents. The Covered Bond Guarantor will initially hold only equitable title to the Mortgage Loan Rights forming part of the Assets of the Trust as the Borrower in respect of the relevant Mortgage Loan will not be notified of the assignment of that Mortgage Loan Rights to the Covered Bond Guarantor. This is different to holding legal title which would require that the Covered Bond Guarantor not only has possession of the mortgage title documents, but also that transfers of Mortgages to the Covered Bond Guarantor be filed with the land title offices in the appropriate Australian jurisdictions and that notice of such assignment be given to the Borrower. The Covered Bond Guarantor will take certain steps to protect its interest in, and title to, the Mortgage Loan Rights forming part of the Assets of the Trust if and only in the limited circumstances described in "*Overview of the Principal Documents – Mortgage Sale Agreement – Transfer of Title to the Mortgage Loan Rights to the Covered Bond Guarantor*" and until such right arises the Covered Bond Guarantor will not give notice of the sale of the Mortgage Loan Rights to any Borrower or register or record its interest in the Mortgages at any land title offices or take any other steps to perfect its title to the Mortgages.

At any time during which the Covered Bond Guarantor does not hold legal title to the Mortgage Loan Rights or has not provided notification to the relevant Borrower, the following risks exist:

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

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

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

However, the risk of third party claims obtaining priority to the interests of the Covered Bond Guarantor would be likely to be limited to circumstances arising from a breach by the Seller of its contractual obligations or fraud, negligence or mistake on the part of the Seller or the Covered

Bond Guarantor or their respective personnel or agents. Additionally, for the purpose of protecting the Covered Bond Guarantor's interests and security interests in the Mortgage Loan Rights, the Trust Manager has agreed to do all things reasonably necessary to permit any security interest held by the Covered Bond Guarantor in relation to the Mortgage Loan Rights to be perfected by registration on the PPSA register. However, if such registration is not completed or is completed incorrectly, the Covered Bond Guarantor's security interest in relation to a Mortgage Loan Right may not be perfected and a third party may be able to take an interest in that Mortgage Loan Right free of any interest held by the Covered Bond Guarantor or take a security interest which ranks in priority to any security interest of the Covered Bond Guarantor;

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

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

If the risks described in paragraph (a), (b) or (c) above were to occur, then the realisable value of the Mortgage Loan Rights forming part of the Assets of the Trust or any part thereof and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected.

Set-off

The Mortgage Loans can only be sold free of set-off to the Covered Bond Guarantor to the extent permitted by law. The consequence of this is that if a Borrower in connection with the Mortgage Loan has funds standing to the credit of an account with the Bank or amounts are otherwise payable to such a person by the Bank, that person may have a right on the enforcement of the Mortgage Loan or on the insolvency of the Bank to set-off the Bank's liability to that person in reduction of the amount owing by that person in connection with the Mortgage Loan. If the Bank becomes insolvent, it can be expected that Borrowers will exercise their set-off rights to a significant degree. If such set-off rights were to be exercised, there remains the risk that the realisable value of the Mortgage Loans may be adversely affected, which will in turn adversely impact the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

The Servicing Guidelines

Each of the Mortgage Loans forming part of the Assets of the Trust originated by the Seller will have been originated in accordance with the Seller's policies and guidelines applicable at the time of

origination. In the event of the sale of any new Mortgage Loan Rights to the Covered Bond Guarantor, representations and warranties will at such time be given by the Seller to the Covered Bond Guarantor that the Mortgage Loans relating to such new Mortgage Loan Rights were originated in the ordinary course of the Seller's business and since that time the Seller has dealt with those Mortgage Loans in accordance with the Servicing Guidelines and the Servicing Standards. The Seller's policies and guidelines consider a variety of factors such as a potential Borrower's credit history, employment history and status and repayment ability, as well as the value of the Land to be mortgaged. The Seller retains the right to amend or revise its Servicing Guidelines as determined from time to time.

If any new Mortgage Loan Rights which have been originated under revised Servicing Guidelines are then sold to the Covered Bond Guarantor pursuant to the terms of the Mortgage Sale Agreement, the characteristics of the Mortgage Loan Rights forming part of the Assets of the Trust could at such time change. This could lead to a delay or reduction in the payments received by the Covered Bondholders under the Covered Bond Guarantee.

4. LEGAL AND OTHER CONSIDERATIONS

Changes to the current law and/or regulations

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

Capital adequacy framework

On 4 December 2025, APRA finalised the consequential amendments to the bank prudential framework to phase out AT1 instruments. Large, internationally active banks such as CBA will be able to replace the current 1.5 per cent. of AT1 capital with 0.25 per cent. of CET1 capital and 1.25 per cent. of Tier 2 capital. The CET1 minimum requirement, inclusive of regulatory buffers, will increase to 10.50 per cent., whilst the total capital requirement will remain unchanged at the 1 January 2026 level of 18.25 per cent.

Existing AT1 instruments will be eligible to be included as Tier 2 capital from the date of this Prospectus until their first scheduled call date. During the transition period, the legal terms of AT1 instruments will remain in effect, with AT1 capital absorbing losses ahead of Tier 2 in a resolution event.

The Group is well positioned to meet APRA requirements under the revised capital framework effective 1 January 2027. As at 31 March 2026, the Group reported a level 2 CET1 capital ratio of 11.6 per cent, and a total capital ratio of 20.0 per cent.

Restrictions on Transfer

The Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to or for the benefit of U.S. persons unless such securities are registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

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

As Covered Bonds (other than N Covered Bonds) will be held by the clearing systems, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

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

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

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

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

Withholding Tax Obligations

There may be occasions in which an amount of, or in respect of, tax is required to be withheld from a payment in respect of any Covered Bond and in respect of which neither the Issuer, the Covered Bond Guarantor, any Paying Agent nor any other person would be obliged to pay additional amounts with respect to such Covered Bond as set out in Condition 7 of the Programme Conditions and Condition 6 of the N Covered Bond Conditions (as applicable) (see the section "*Terms and Conditions of the Covered Bonds*" in this Prospectus).

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

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

Covered Bonds where denominations involve integral multiples: definitive Covered Bonds

In relation to any issue of Covered Bonds that have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Covered Bonds may be traded in amounts in excess of the minimum Specified Denomination 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 would not be able to sell the remainder of such holding without first purchasing a principal amount of Covered Bonds at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his 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 at or in excess of the minimum Specified Denomination such that it is holding amounts to the minimum Specified Denomination.

If such 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.

Currency exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Covered Bonds and the Covered Bond 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 (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency or the Specified Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Covered Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Covered Bonds and (3) the Investor's Currency-equivalent market value of the Covered Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal in respect of Covered Bonds.

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

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

Covered Bonds may be subject to changes in regulation

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

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

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

Anti-Money Laundering and Counter-Terrorism Financing Act

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

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

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

(c) exchanging one currency for another; and

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

The obligations placed on an entity include that entity undertaking customer identification procedures before a designated service is provided and receiving information about international and domestic institutional transfer of funds. Until the obligations have been met an entity will be prohibited from providing funds or services to a party or making any payments on behalf of a party. Compliance with the AML/CTF Act may adversely affect the ability of any party to a Programme Document to make payments when due and this, in turn, may affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee when due.

Sanctions obligations prohibit the provision of funds to prescribed persons. Compliance with these regulations may also affect the ability of any party to a Programme Document (including the Issuer and the Covered Bond Guarantor) to make payments when due.

Personal Property Securities regime

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

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

(a) another security interest may take priority;

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

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

Security interests which were not migrated, or which were not registered on any existing registers as at the PPSA Start Date were required to have been registered on the PPSA register (or otherwise perfected) prior to the conclusion of the two year transitional period to preserve priority. This means that transactions which were not regarded as security interests under the law prior to the commencement of the PPSA but are security interests under the PPSA, either because they are "in substance" security interests or deemed security interests, need to be registered. The Programme Documents contain such security interests.

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

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

Consumer Credit Legislation

Consumer Credit Legislation

Some of the Mortgage Loans and related Mortgages and guarantees are regulated by the National Consumer Credit Protection Laws. Obligations under the National Consumer Credit Protection Laws also apply (with some limited exceptions) to loans that were regulated under the Consumer Credit Code before the commencement of the NCCP in July 2010.

The National Consumer Credit Protection Laws require 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 to either hold an Australian Credit Licence, be exempt from this requirement or be a credit representative of a licensed person.

The National Consumer Credit Protection Laws impose 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 of the National Consumer Credit Protection Laws.

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

(a) vary the terms of a Mortgage Loan and related Mortgage or guarantee, or a change to such documents, that are unjust (which may include consideration of whether the credit provider knew, at the time the relevant documents were entered into, that the debtor could not pay without substantial hardship), and reopen the transaction that gave rise to the Mortgage Loan and any related mortgage or guarantee, or change;

(b) in the case of a debtor or guarantor, reduce or cancel any interest rate payable on the Mortgage Loan arising from a change to that rate which is unconscionable;

(c) have certain provisions of the Mortgage Loan or a related Mortgage or guarantee which are in breach of the legislation declared void or unenforceable;

(d) obtain restitution or compensation from the credit provider in relation to any breaches of the National Consumer Credit Protection Laws in relation to the Mortgage Loan or a related Mortgage or guarantee;

(e) seek various remedies for other breaches of the National Consumer Credit Protection Laws;

(f) grant an injunction preventing a regulated Mortgage Loan from being enforced (or any other action in relation to the Mortgage Loan) if to do so would breach the National Consumer Credit Protection Laws;

(g) 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 National Consumer Credit Protection Laws; or

(h) if a credit activity has been engaged in without a licence and no relevant exemption applies, an order it considers appropriate so that no profiting can be made from the activity, to compensate for loss and to prevent loss. This could include an order declaring a contract, or part of a contract, to be void, varying the contract, refusing to enforce, ordering a refund of money or return of property, payment for loss or damage or being ordered to supply specified services.

Applications may also be made to the Australian Financial Complaints Authority (**AFCA**), which has the power to resolve disputes subject to applicable monetary limits and compensation caps. An AFCA determination is final within AFCA. A complainant is not bound by the determination unless it accepts the determination and, if it does not accept it, retains the right to pursue the claim through the courts.

Where a systemic contravention affects contract disclosures across multiple Mortgage Loans, there is a risk of a representative or class action under which a penalty could be imposed in respect of all affected Mortgage Loan contracts. If borrowers, guarantors or mortgagors suffer any loss, orders for compensation may be made.

Under the National Consumer Credit Protection Laws, ASIC will also be able to make an application to vary the terms of a contract or a class of contracts on the above grounds if this is in the public interest (rather than limiting these rights to affected debtors).

Any such order may affect the timing or amount of interest, fees or charges or principal payments under the relevant Mortgage Loan (which might in turn affect the timing or amount of interest or principal payments under the Covered Bonds by the Covered Bond Guarantor, following the occurrence of an Issuer Event of Default and the service of an Issuer Acceleration Notice or the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice).

Breaches of the National Consumer Credit Protection Laws may also lead to civil penalties or criminal fines being imposed on the Bank, for so long as it holds legal title to the Mortgage Loans and the related Mortgages. If the Covered Bond Guarantor acquires legal title, it will then become primarily responsible for compliance with the National Consumer Credit Protection Laws.

The Covered Bond Guarantor will be indemnified out of the Assets of the Trust for liabilities it incurs under the National Consumer Credit Protection Laws. Where the Covered Bond Guarantor is held liable for breaches of the National Consumer Credit Protection Laws, the Covered Bond Guarantor must seek relief initially under any indemnities provided to it by the Servicer before exercising its rights to recover against any Assets of the Trust.

The Seller will give certain representations and warranties that the Mortgages relating to the Mortgage Loans complied in all material respects with all applicable laws when those Mortgages were entered into. The Servicer has also undertaken to comply with the National Consumer Credit Protection Laws in carrying out its obligations under the Programme Documents. In certain circumstances the Covered Bond Guarantor may have the right to claim damages from the Bank (as Seller or Servicer), as the case may be, where the Covered Bond Guarantor suffers loss in connection with a breach of the National Consumer Credit Protection Laws which is caused by a breach of a relevant representation or undertaking.

Unfair Terms

The terms of a Mortgage Loan or a related mortgage or guarantee entered into or varied on or after 1 July 2010 may be subject to review for being "unfair" under the Australian Securities and Investments Commission Act 2001 (Cth) (**ASIC Act**).

The unfair contract terms regime in the ASIC Act applies to the provision of financial products and financial services under "standard form" "consumer" and "small business" contracts.

- A "standard form contract" is generally a contract that has been prepared by one party to the contract (the business offering the product or service) without negotiation between the parties. In other words, it is offered largely on a 'take it or leave it' basis. However, a contract may still be a standard form contract even when the counterparty has the opportunity to negotiate changes to the contract, provided the changes are minor or insubstantial and/or there is the ability to select a term from a range of pre-prepared options.

- A "consumer contract" is a contract with a person who will predominantly use what is provided under the contract for personal, domestic or household use or consumption.

- A "small business contract" is:

    - for contracts entered into before 9 November 2023, a contract where at the time the contract is entered into, at least one party is a business that has fewer than 20 employees and the upfront price payable under the contract is either: (i) A$300,000 or less; or (ii) A$1,000,000 or less, if the contract has a duration of more than 12 months; and

    - for contracts entered into, renewed or varied on or after 9 November 2023, a contract where at the time of the contract is entered into, at least one party is a business that that has fewer than 100 employees or has a turnover of less than A$10,000,000, and the upfront price payable under the contract is A$5,000,000 or less.

Under the ASIC Act, a term of a standard form consumer or small business contract will be unfair, and therefore void, if it: (1) causes a significant imbalance in the parties' rights and obligations under the contract, (2) is not reasonably necessary to protect the legitimate interests of the party advantaged by the term, and (3) would cause financial or non-financial detriment to a party if it were to be applied or relied on. However, the remainder of the contract will continue to bind the parties to the extent that the contract is capable of operating without the unfair term.

From 9 November 2023, amendments to the unfair contract terms regime introduced civil penalties for each contravention of the prohibition on proposing, applying or relying on an unfair contract term in a standard form contract, and introduced more flexible remedies to allow courts to order additional remedies once a term has been declared unfair. It also expanded the class of contracts covered by the regime (e.g., small business contracts, as explained above). A contravention by a body corporate may attract a maximum pecuniary penalty equal to the greatest of 50,000 penalty units (as at June 2026, one penalty unity is A$330), three times the benefit obtained and detriment avoided because of the contravention, or 10% of the body corporate's annual turnover (capped at 2.5 million penalty units). These amendments apply to contracts entered into, renewed, or terms varied or added on after 9 November 2023.

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

Any determination by a court or tribunal that a term of a Mortgage Loan or a related mortgage or guarantee is void under the unfair contract terms regime due to it being unfair may adversely affect the timing or amount of any payments thereunder (which might in turn affect the timing or amount of interest or principal payments under the Covered Bonds).

Effect of Orders

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

Seller and Servicer obligations

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

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

Volcker Rule

The Bank is subject to certain provisions of the Volcker Rule, which prohibits banks and their affiliates from engaging in certain "proprietary trading" and limits the sponsorship of, and investment in, "covered funds" (which include private equity funds and hedge funds) subject to certain important exceptions and exemptions.

Under the Volcker Rule, unless otherwise jointly determined otherwise by specified federal regulators, a "covered fund" does not include an issuer that may rely on an exclusion or exemption from the definition of "investment company" under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. The Covered Bond Guarantor is not a "covered fund" for purposes of the Volcker Rule, and will be relying on an exclusion or exemption from the definition of "investment company" under the Investment Company Act contained in Section 3(c)(5)(C) of the Investment Company Act, although there may be additional exclusions or exemptions available to the Covered Bond Guarantor.

It is possible that U.S. regulators could determine, as they are permitted to do under the final rules, that vehicles such as the Covered Bond Guarantor should not be excepted or exempt under the Volcker Rule. In that event, certain of the activities of the Covered Bond Guarantor may need to be modified to comply with the Volcker Rule. The general effects of the Volcker Rule remain uncertain. Any prospective investor in the Covered Bonds, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule.

Ipso Facto Moratorium

On 18 September 2017, the Treasury Laws Amendment (2017 Enterprise Incentives No.2) Act 2017 (the **Act**) was enacted in Australia. The Act contains reforms to Australian insolvency laws. Under the Act, any right under a contract, agreement or arrangement (such as a right entitling a creditor to terminate a contract or to accelerate a payment under a contract) arising merely because a company, among other circumstances, is under administration, has appointed a managing controller or is the subject of an application under section 411 of the Australian Corporations Act (i.e. **ipso facto rights**), will not be enforceable during a prescribed moratorium period.

The Act took effect on 1 July 2018 and applies to ipso facto rights arising under contracts, agreements or arrangements entered into at or after that date, subject to certain exclusions. On 21 June 2018, the Australian Government introduced the Corporations Amendment (Stay on Enforcing Certain Rights) Regulations 2018 (the **Regulations**) which sets out the types of contracts that will be excluded from the operation of the stay on the enforcement of ipso facto rights.

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

APRA's crisis management powers

Under the Australian Banking Act, APRA has powers to issue directions to the Bank and, in certain circumstances, to appoint a "Banking Act statutory manager" to take control of the Bank's business. The powers of APRA and the powers of any "Banking Act statutory manager" (appointed to the Bank):

(a) are broad and include a power of the statutory manager to cancel shares or any right to acquire shares in the Bank, and may be exercised to intervene in the performance of obligations and the exercise of rights under the Covered Bonds; and

(b) may be exercised in a way which adversely affects the Bank's ability to comply with its obligations in respect of the Covered Bonds.

On 5 March 2018, the Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Act 2018 of Australia (the **Crisis Management Act**) received royal assent and was enacted. The Crisis Management Act amends the Australian Banking Act (among other statutes applicable to financial institutions in Australia) and is intended to enhance APRA's powers. Specifically, the Crisis Management Act enhances APRA's powers to facilitate the orderly resolution of the entities it regulates (and their subsidiaries) in times of distress. Additional powers given to APRA under the Crisis Management Act which could impact the Bank and potentially the position of the Covered Bondholders, include greater oversight, management and directions powers in relation to the Group entities which were previously not regulated by APRA, increased statutory management powers over regulated entities within the Group and changes which are designed to give statutory recognition to the conversion or write-off of regulatory capital instruments. At this stage, the impact of the Crisis Management Act is uncertain.

In addition, APRA may, in certain circumstances, require the Bank to transfer all or part of its business to another entity under the Financial Sector (Transfer and Restructure) Act 1999 of Australia (the **Australian FSBT Act**). A transfer under the Australian FSBT Act overrides anything in any contract or agreement to which the Bank is party, including the terms of the Covered Bonds.

The foregoing may adversely affect the position of holders of the Covered Bonds.

APRA's powers under the Australian Banking Act and the Australian FSBT Act are discretionary and may more likely be exercised by it in circumstances where the Bank is in material breach of applicable banking laws and/or regulations or is in financial distress, including where the Bank has contravened the Australian Banking Act (or any related regulations or other instruments made, or conditions imposed, under the Australian Banking Act) or where the Bank has informed APRA that it is likely to become unable to meet its obligations, or that it is about to suspend payment. In these circumstances, APRA is required to have regard to protecting the interests of the Bank's depositors and to the stability of the Australian financial system, but not necessarily to the interests of the Bank's other creditors (including holders of the Covered Bonds).

Australian merger control regime

On 1 January 2026, a mandatory and suspensory merger control regime administered by the ACCC commenced in Australia. The regime applies to acquisitions of shares and assets, including units or interests in entities and acquisitions of property and legal or equitable rights.

Under the regime, an acquisition is required to be notified to the ACCC if, among other things, the shares, units or assets to be acquired are connected with Australia, the acquisition satisfies the relevant control, voting power, and financial thresholds, and no exception applies. Where an acquisition is a notifiable acquisition, it is unlawful to put the acquisition into effect unless the acquiring party has notified the ACCC and the ACCC (or the Australian Competition Tribunal) has determined that the acquisition may be put into effect, or the acquiring party has applied for and obtained a notification waiver from the ACCC. Any notifiable acquisition that is put into effect, or attempted to be put into effect, without the required ACCC determination or waiver may be void by operation of law.

There are exceptions to the requirement to notify for certain financial markets, financing and securitisation transactions, including debt instruments, loans, security interests, securities financing transactions and asset securitisation arrangements. Explanatory materials indicate that these exceptions are intended to cover, among other things, covered bonds and the lifecycle steps of asset securitisation arrangements. However, the regime is new and the availability of any exception will

depend on the circumstances of the relevant transaction and the interpretation and application of the regime and related exceptions from time to time.

If any acquisition of assets, rights or interests undertaken in connection with the Programme, including any transfer or assignment of Mortgage Loan Rights, Mortgages or related Collateral Securities to the Covered Bond Guarantor or the grant or enforcement of security over Assets of the Trust, were required to be notified to the ACCC and were put into effect without the required ACCC determination or waiver, the relevant acquisition could be void by operation of law. This could adversely affect the title to, or realisable value of, the relevant Assets of the Trust or the security arrangements supporting the Covered Bonds, and may adversely affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

FORM OF THE COVERED BONDS

The Covered Bonds of each Series will be in either bearer form, with or without interest coupons and/or talons attached, or registered form, without interest coupons and/or talons attached. Bearer Covered Bonds and Registered Covered Bonds issued under this Prospectus will be issued outside the United States in reliance on the exemption from registration provided by Regulation S. Registered Covered Bonds (other than N Covered Bonds) may also be offered and sold in reliance on Rule 144A to "qualified institutional buyers" (as defined in Rule 144A) under a separate offering memorandum. A$ Registered Covered Bonds may also be offered and sold under a separate information memorandum.

Bearer Covered Bonds

The Issuer announces that (a) each Tranche of Bearer Covered Bonds will be initially issued in the form of a temporary global covered bond without interest coupons attached (a **Temporary Bearer Global Covered Bond**) which will be issued to and lodged on or prior to the issue date of the relevant Tranche to a common depositary (the **Common Depositary**) for Euroclear and Clearstream, Luxembourg and (b) in connection with the issue, Euroclear and Clearstream, Luxembourg will confer rights in relation to such Bearer Covered Bonds and will record the existence of those rights; and (c) as a result of the issue of such Bearer Covered Bonds in this manner, these rights will be able to be created.

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

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Bearer Global Covered Bond is issued, interests in such Temporary Bearer Global Covered Bond will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a permanent global covered bond without interest coupons attached (a **Permanent Bearer Global Covered Bond** and, together with the Temporary Bearer Global Covered Bonds, the **Bearer Global Covered Bonds** and each a **Bearer Global Covered Bond**) of the same Series or (b) for Bearer Definitive Covered Bonds of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms, 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 in the case of Exempt Covered Bonds, the applicable Pricing Supplement), in each case against certification of non-U.S. beneficial ownership as described above unless such certification has already been given. Generally U.S. persons will not be able to receive Bearer Definitive Covered Bonds or interests in the Permanent Bearer Global Covered Bond. The holder of a Temporary Bearer Global Covered Bond will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Covered Bond for an interest in a Permanent Bearer Global Covered Bond or for Bearer Definitive Covered Bonds is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Covered Bond will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender at the specified office of the Principal Paying Agent (as the case may be) of the Permanent Bearer Global Covered Bond without any requirement for certification.

The applicable Final Terms, or in the case of Exempt Covered Bonds, the applicable Pricing Supplement, will specify that a Bearer Definitive Covered Bonds or a Permanent Bearer Global Covered Bond will be exchangeable (free of charge), in whole but not in part, for Bearer Definitive Covered Bonds with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available. The Issuer will promptly give notice to Covered Bondholders of each Series of Bearer Global Covered Bonds in accordance with Condition 12 of the Programme Conditions if an Exchange Event occurs. In

the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) or the Bond Trustee may give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

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

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

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

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

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

Registered Covered Bonds (other than N Covered Bonds)

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

Regulation S Covered Bonds will be deposited with the Common Depositary for, and registered in the name of a nominee for the common depositary of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms, or in the case of Exempt Covered Bonds, the applicable Pricing Supplement. Prior to the end of the distribution compliance period (as defined in Regulation S) applicable to the Covered Bonds represented by such Regulation S Global Covered Bond, interests in such Regulation S Global Covered Bond may only be held through the accounts of Euroclear and Clearstream, Luxembourg. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system. Persons holding beneficial interests in Regulation S Global Covered Bonds will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Definitive Covered Bonds in fully registered form.

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

made on account of beneficial ownership interests in the Regulation S Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

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

Interests in a Regulation S Global Covered Bond will be exchangeable (free of charge), in whole but not in part, for Definitive Regulation S Covered Bonds without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that in the case of a Regulation S Global Covered Bond registered in the name of a nominee of the Common Depositary, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available. The Issuer will promptly give notice to Covered Bondholders of each Series of Regulation S Global Covered Bonds in accordance with Condition 12 of the Programme Conditions if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any registered holder of an interest in such Regulation S Global Covered Bond) or the Bond Trustee may give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

Registered Covered Bonds - N Covered Bonds

The Issuer may issue registered bonds in the form of N Covered Bonds (*Namensschuldverschreibungen*) (as set out in Schedule 8 of the Bond Trust Deed) governed by German law and evidenced by a certificate made out in the name of the holder of the N Covered Bond, as further specified in the applicable Pricing Supplement for the relevant Series.

Transfer of Interests

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

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

General

Pursuant to the Principal Agency Agreement, the Principal Paying Agent shall arrange that, where a further Tranche of Covered Bonds is issued which is intended to form a single Series with an existing Tranche of Covered Bonds, the Covered Bonds of such further Tranche shall be assigned a common code and ISIN and, where applicable, a FISN, CFI Code and CINS number which are different from the common code, ISIN, FISN, CFI Code, and CINS number assigned to Covered Bonds of any other Tranche of the same Series until at least the Exchange Date applicable to the Covered Bonds of such further Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg will, whenever the context so permits, be deemed to include a reference to any successor operator and/or successor clearing system and/or additional or alternative clearing system specified in the applicable Final Terms (or, 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 Covered Bond 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 OF FINAL TERMS

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

[**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 (the **EEA**). For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, 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 (as amended, the **Prospectus Regulation**). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][1]

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

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

[**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the 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, and professional clients, as defined in [Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, as amended][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 is responsible

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[1] Legend to be included on front of the Final Terms if the Covered Bonds potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the item entitled "Prohibition of Sales to EEA Retail Investors" should be specified to be "Applicable".

[2] Legend to be included on front of the Final Terms if the Covered Bonds potentially constitute consumer composite investments under the CCI regime and no disclosure document will be prepared or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

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

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]

[**NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE –** In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as amended, the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), all Covered Bonds shall be capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][5]

[*Date*]

Commonwealth Bank of Australia

Legal Entity Identifier (LEI): MSFSBD3QN1GSN7Q6C537

Issue of [Aggregate Nominal Amount of Tranche or Series] [Title of Covered Bonds] irrevocably and unconditionally guaranteed as to payment of principal and interest by Perpetual Corporate Trust Limited in its capacity as trustee of the CBA Covered Bond Trust (the Trust) under the U.S.$40,000,000,000 CBA Covered Bond Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the **Conditions**) set forth in the Prospectus dated 20 July 2026 [and the supplement[s] to the Prospectus dated [●]] ([together,] the **Prospectus**) which constitute[s] a base prospectus for the purposes of the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (**PRM**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the PRM and must be read in conjunction with the Prospectus [as so supplemented] in order to obtain all the relevant information. The Prospectus 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 20 July 2026 which are incorporated by reference into the Prospectus dated [●]. This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (**PRM**) and must be read in conjunction with the Prospectus dated 20 July 2026 [and the supplement[s] to the Prospectus dated [●]] ([together,] the **Prospectus**) which constitute[s] a base prospectus for the purposes of the PRM, 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:		Commonwealth Bank of Australia
2.	Covered Bond Guarantor:		Perpetual Corporate Trust Limited in its capacity as trustee of the CBA Covered Bond Trust
3.	(i)	Series of which Covered Bonds are to be treated as forming part:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	Date on which Covered Bonds will be consolidated and form a single Series:	[The Covered Bonds will be consolidated and form a single Series with [●] on [the Issue Date/the date that is 40 days after the Issue Date]/[exchange of the Temporary Global Covered Bond for interests in the Permanent Global Covered Bond, as referred to in paragraph [●]

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

[5] *To amend notification if the Covered Bonds are "capital markets products other than prescribed capital markets products" pursuant to Section 309B of the SFA or Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.*

			below], which is expected to occur on or about [●]]/[Not Applicable]
4.	Specified Currency or Currencies:		[●]
5.	Aggregate Nominal Amount of Covered Bonds:		
	(i)	Series:	[●]
	(ii)	Tranche:	[●]
6.	Issue Price of Tranche:		[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
7.	(i)	Specified Denominations:	[●]/[€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Covered Bonds in definitive form will be issued with a denomination above €199,000]
	(ii)	Calculation Amount (Applicable to Covered Bonds in definitive form, in relation to calculation of interest on Covered Bonds in global form see Conditions):	[●]
8.	(i)	Issue Date:	[●]
	(ii)	Trade Date:	[●]
	(iii)	Interest Commencement Date:	[[●]/Issue Date/Not Applicable]
9.	Final Maturity Date:		[●] [Interest Payment Date falling in or nearest to [●]]
10.	Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:		[●] [Interest Payment Date falling in or nearest to [●]]
11.	Interest Basis:		[Fixed Rate] [Floating Rate] (see paragraphs 16 and 17 below)
12.	Redemption/Payment Basis:		[99]/[100]/[101] per cent. of the nominal amount
13.	Change of Interest Basis or Redemption/ Payment Basis:		[Not applicable]/[●]/[In accordance with paragraphs 16 and 17]
14.	Put/Call Options:		[Not applicable] [Investor Put] [Issuer Call] [(see paragraphs 19 and 20)]
15.	(i)	Status of the Covered Bonds:	Senior
	(ii)	Status of Covered Bond Guarantee:	Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.	Fixed Rate Covered Bond Provisions:		[Applicable/Not Applicable]
	(i)	Rate[(s)] of Interest:	[●] per cent. per annum payable

			[annually/semi-annually/quarterly/other] in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[[●] in each year up to and including the Final Maturity Date and Extended Due for Payment Date (if applicable)]
	(iii)	Fixed Coupon Amount(s) for Covered Bonds in definitive form (and in relation to Covered Bonds in global form see Conditions):	[[●] per Calculation Amount/Not Applicable]
	(iv)	Broken Amount(s) for Covered Bonds in definitive form (and in relation to Covered Bonds in global form see Conditions):	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/[Not Applicable]
	(v)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA)]
	(vi)	Determination Date(s):	[●] in each year /[Not Applicable]
	(vii)	Business Day Convention:	Following Business Day Convention
17.	Floating Rate Covered Bond Provisions:		[Applicable/Not Applicable]
	(i)	Specified Period(s)/Specified Interest Payment Date(s):	[●] and including the Final Maturity Date and the Extended Due for Payment Date (if applicable)]
	(ii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iii)	Additional Business Centre(s):	[●]/[Not Applicable]
	(iv)	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]]
	(v)	Manner in which the Rate of Interest and Interest Amount are to be determined:	[Applicable/Not Applicable]
		− Reference Rate (if applicable):	Reference Rate: [●] month [●] [EURIBOR]/[CNH HIBOR]/[HIBOR]/[NIBOR]/[Compounded Daily SONIA]/ [Compounded Daily SOFR]/[Compounded Daily SORA]/[Compounded Daily CORRA]/[Compounded Daily TONA]/[SARON Compounded]/[€STR]/[BBSW Rate]
		− Interest Determination Date(s):	[●] (*(i) Second day on which T2 is open prior to the start of each Interest Period if EURIBOR (ii) second Hong Kong business day prior to the start of each Floating Interest Period if CNH HIBOR (iii) first day of each Floating Interest Period if HIBOR (iv) second Oslo business day prior to the start of each Floating Interest Period if NIBOR or (v) the first day of the relevant Floating Interest Period if BBSW Rate or BKBM.*

(i) Day falling the number of London Banking Days included in the below SONIA Observation Look-Back Period if Compounded Daily SONIA (ii) Day following the number of U.S. Government Securities Business Days included in the below SOFR Observation Shift Period if Compounded Daily SOFR (iii) the day falling "p" Singapore Business Days if Compounded Daily SORA (iv) day falling five Zurich Banking Days if SARON Compounded (v) "p" Bank of Canada Business Days if Compounded Daily CORRA (vi) "p" Tokyo Business Days if Compounded Daily TONA or (vii) "p" T2 Business Days if €STR, in each case prior to the Interest Payment Date for the relevant Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period).)

- Relevant Screen Page: [[●]/[Not Applicable]]
- SONIA Observation Method: [Not Applicable/Lag/Shift][6]
- SONIA Observation Look-Back Period: [5/[●] [London Banking Day[s]]/[Not Applicable][7]

  (*N.B. When setting the SONIA Observation Look-Back Period, the practicalities of this period should be discussed with the Principal Paying Agent or the Calculation Agent, as applicable. It is anticipated that '(p)' will be no fewer than 5 London Banking Days unless otherwise agreed with the Principal Paying Agent or the Calculation Agent, as applicable*)
- SOFR Observation Shift Period: [[●] U.S. Government Securities Business] Day[s]]/[Not Applicable][8]
- TONA Observation Method: [Not Applicable/Shift/Lookback][9]
- €STR Calculation Method: [€STR Compounded Daily]/[€STR Index Compounded Daily]/[€STR Weighted Average]/[Not Applicable][10]
- €STR Observation Method: [Lag]/[Lock-out]/[Shift]/[Not Applicable][11]
- p: [[●] [Singapore/Bank of Canada/Tokyo/T2] Business Day[s]/Not Applicable][11]

  (*N.B. When setting the length of this period (p) in respect of Covered Bonds referencing "€STR", the practicalities of this period should be discussed with the Principal*

[6] *Only relevant for Covered Bonds which specify the Reference Rate as being "Compounded Daily SONIA".*

[7] *Only include for Covered Bonds for which the Reference Rate is specified as being "Compounded Daily SONIA".*

[8] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily SOFR".*

[9] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily TONA".*

[10] *Only include for Covered Bonds which specify the Reference Rate as being "€STR".*

[11] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily SORA", "Compounded Daily CORRA", "Compounded Daily TONA" or "€STR".*

			Paying Agent or the Calculation Agent, as applicable, or such other party responsible for the calculation of the Rate of Interest, in each case as specified in the applicable Final Terms. It is anticipated that 'p' will be no fewer than five T2 Business Days unless otherwise agreed with the Principal Paying Agent or the Calculation Agent, as applicable/required, or such other party responsible for the calculation of the Rate of Interest, in each case as specified in the applicable Final Terms, in relation to the relevant issuance)
		− Index Determination:	[Applicable]/[Not Applicable][12]
		− [Specified Time:	[●]]
		− [Interest Period End Date(s):	[*specify*]/[The Interest Payment Date for such Interest Period]/[Not Applicable]]
	(vi)	Linear Interpolation:	[Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
	(vii)	Margin(s):	[+/-][●]per cent. per annum
	(viii)	Minimum Rate of Interest:	[[●]per cent. per annum]/[Not Applicable]
	(ix)	Maximum Rate of Interest:	[[●]per cent. per annum]/[Not Applicable]
	(x)	Day Count Fraction:	[Actual/Actual (ISDA) or Actual/Actual Actual/365 (Fixed) Actual/360 30/360 *or* 360/360 *or* Bond Basis 30E/360 *or* Eurobond Basis 30E/360 (ISDA) RBA Bond Basis]

PROVISIONS RELATING TO REDEMPTION

18.	Notice periods for Condition 5.2 (*Redemption for Tax Reasons*) or Condition 5.5 (*Redemption due to Illegality*):		Minimum Period: [30]/[●] days Maximum Period: [60]/[●] days
19.	Issuer Call:		[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]
	(iii)	If redeemable in part:	
		Partial redemption (call):	[Applicable/Not Applicable]
		(a) Minimum Redemption Amount:	[●]
		(b) Higher Redemption	[●]

[12] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily SONIA", "Compounded Daily SOFR", "Compounded Daily SORA", "Compounded Daily CORRA" or "€STR".*

		Amount:	
	(iv)	Notice period (if other than as set out in the Conditions):	Minimum Period: [5]/[●] days Maximum Period: [30]/[●] days
20.	Investor Put:		[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]
	(iii)	Notice period (if other than as set out in the Conditions):	Minimum Period: [30]/[●] days Maximum Period: [60]/[●] days
21.	Final Redemption Amount:		[[●] per Calculation Amount/see Appendix]
22.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same:		[[●] per Calculation Amount/Early Settlement Amount]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

23.	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 [only upon an Exchange Event]] [Temporary Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds] [Permanent Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds [only after an Exchange Event]] [Registered Covered Bonds: [Registered Covered Bonds[Restricted/Unrestricted] Global Certificate[s]] - [Euroclear/Clearstream, Luxembourg] [Regulation S] Regulation S Global Covered Bond registered in the name of [a common depositary for Euroclear and Clearstream, Luxembourg] [Regulation S Global Covered Bond (U.S.$[●] nominal amount) registered in the name of the common depositary for [Euroclear and Clearstream, Luxembourg]]
24.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/●]
25.	Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	[Yes, as the Covered Bonds have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No.]

[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 U.S.$40,000,000,000 CBA Covered Bond Programme of the Commonwealth Bank of Australia.]

RESPONSIBILITY

[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 **Commonwealth Bank of Australia**:

By: .....

Name:

Title:

Duly authorised

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

By: .....

Attorney:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing and Admission to trading:	[The Covered Bonds are expected to be admitted to trading on the London Stock Exchange's main market and to be listed on the Official List of the Financial Conduct Authority with effect from [●].] (*Where documenting a fungible issue need to indicate that original Covered Bonds are already admitted to trading*.)
(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:

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

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

[[Fitch Ratings] has, in its [*month, year*] publication "[*Fitch Ratings Definitions*]", described a [long term] credit rating of ['AAA'] in the following terms: ["'AAA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. Note: Within rating categories, Fitch may use modifiers. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories."]] [*Complete as applicable*]]]

(The above disclosure should reflect the rating allocated to the Covered Bonds of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of

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

3. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

(i)	Reasons for the offer:	[See ["*Use of Proceeds*"] in the Prospectus/[●]]
(ii)	Estimated net proceeds:	[●]

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

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

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under PRM 10.1.1R.*)]

5. YIELD (Fixed Rate Covered Bonds only)

Indication of yield:	[●] per cent. per annum The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

(i)	ISIN Code:	[●]
(ii)	CUSIP:	[●]
(iii)	CFI Code:	[[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]
(iv)	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]
(v)	Common Code:	[●]
(vi)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and The Depository Trust Company and	[Not Applicable/[●]]

	Austraclear and the relevant identification number(s):	
(vii)	If syndicated, names of Managers:	[Not Applicable/[●]]
(viii)	Stabilising Manager(s) (if any):	[Not Applicable/*give name(s)*]
(ix)	Name and address of initial Paying Agent in relation to the Covered Bonds:	[Not Applicable/[●]]
(x)	Names and addresses of additional Paying Agent(s) (if any) in relation to the Covered Bonds:	[Not Applicable/[●]]
(xi)	Name and address of Calculation Agent in relation to A$ Registered Covered Bonds if other than the Issuer:	[Not Applicable/[●]]
(xii)	U.S. Selling Restrictions:	[Applicable/Not Applicable]
(xiii)	Whether TEFRA D rules applicable or TEFRA not applicable:	[TEFRA D/TEFRA not applicable]
(xiv)	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] *(If the Covered Bonds clearly do not constitute "packaged" products or the Covered Bonds constitute "packaged products" and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Covered Bonds may constitute "packaged" products and no key information document will be prepared in the EEA, "Applicable" should be specified.)*
(xv)	Prohibition of Sales to UK Retail Investors:	[Applicable/Not Applicable] *(If the Covered Bonds clearly do not constitute consumer composite investments under the CCI regime or the Covered Bonds do constitute consumer composite investments and a disclosure document will be prepared in the UK, "Not Applicable" should be specified. If the Covered Bonds may constitute consumer composite investments and no disclosure document will be prepared in the UK, "Applicable" should be specified.)*
(xvi)	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 UK Financial Conduct Authority [(**FCA**)] pursuant to Article 36 of Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the EUWA.] [As at the date hereof, [[●] does not appear in the register of administrators and benchmarks established and maintained by the [UK Financial Conduct Authority][FCA] pursuant to Article 36 of Regulation (EU) No. 2016/1011 as it forms part of domestic law

in the UK by virtue of the EUWA. [As far as the Issuer is aware, as at the date hereof, the transitional provisions in Article 51 of Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the EUWA apply, such that [●] is not currently required to obtain authorisation/registration (or, if located outside the UK, recognition, endorsement or equivalence).]/[[●] does not fall within the scope of Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the EUWA.]].

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Covered Bonds (which are not N Covered Bonds) issued under the Programme.

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

[**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 (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, 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 [(as amended, the **Prospectus Regulation**)]. Consequently, no key information document required by Regulation (EU) No 1286/2014, (as amended, the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][1]

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

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

[**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the 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, and professional clients, as defined in [Regulation (EU) No 600/2014 as it

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[1] Legend to be included on front of the Pricing Supplement if the Covered Bonds potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the item entitled "Prohibition of Sales to EEA Retail Investors" should be specified to be "Applicable".

[2] Legend to be included on front of the Pricing Supplement if the Covered Bonds potentially constitute consumer composite investments under the CCI regime and no disclosure document will be prepared or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

[3] This version of the legend to be included on front of the Pricing Supplement if transaction involves one or more manufacturer(s) subject to MiFID II and if following the "ICMA 1" approach.

forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, as amended][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 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]

[**NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE –** In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as amended, the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), all Covered Bonds shall be capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][5]]

Commonwealth Bank of Australia

Legal Entity Identifier (LEI): MSFSBD3QN1GSN7Q6C537

Issue of [Aggregate Nominal Amount of Tranche or Series] [Title of Covered Bonds] irrevocably and unconditionally guaranteed as to payment of principal and interest by Perpetual Corporate Trust Limited in its capacity as trustee of the CBA Covered Bond Trust (the Trust) under the U.S.$40,000,000,000 CBA Covered Bond Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the **Conditions**) set forth in the Prospectus dated 20 July 2026 [and the supplement[s] to the Prospectus dated [insert date] ([together] the **Prospectus**)]. This document constitutes the Pricing Supplement of the Covered Bonds described herein and must be read in conjunction with the Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of the Pricing Supplement and the Prospectus [as so supplemented]. [The Prospectus [and the supplement[s] to the Prospectus] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]]

1.	Issuer:		Commonwealth Bank of Australia
2.	Covered Bond Guarantor:		Perpetual Corporate Trust Limited in its capacity as trustee of the CBA Covered Bond Trust
3.	(i)	Series of which Covered Bonds are to be treated as forming part:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	Date on which Covered Bonds will be consolidated and form a single Series:	[The Covered Bonds will be consolidated and form a single Series with [●] on [the Issue Date/the date that is 40 days after 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] *(If fungible with an existing Series, details of that Series, including the date on which the Covered Bonds become fungible)*

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

[5] *To amend notification if the Covered Bonds are "capital markets products other than prescribed capital markets products" pursuant to Section 309B of the SFA or Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.*

4.	Specified Currency or Currencies:		[●]
5.	Aggregate Nominal Amount of Covered Bonds:		
	(i)	Series:	[●]
	(ii)	Tranche:	[●]
6.	Issue Price of Tranche:		[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] *(in the case of fungible issues only, if applicable)*]
7.	(i)	Specified Denominations:	[●]/[€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Covered Bonds in definitive form will be issued with a denomination above €199,000]
		(in the case of Registered Covered Bonds, this means the minimum integral amount in which transfers can be made)	[●] *(N.B. Where Bearer Covered Bonds with multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed: €[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])* *(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).)*
	(ii)	Calculation Amount (Applicable to Covered Bonds in definitive form, in relation to calculation of interest on Covered Bonds in global form see Conditions):	[●] *(if only one Specified Denomination, insert the words "Specified Denomination", if more than one Specified Denomination insert the amount of the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations)*
8.	(i)	Issue Date:	[●]
	(ii)	Trade Date:	[●]
	(iii)	Interest Commencement Date:	[[●]/specify/Issue Date/Not Applicable]
9.	Final Maturity Date:		[●] *(N.B. If fixed rate – specify date. If floating rate – specify "Interest Payment Date falling in or nearest to [specify month and year]")*
10.	Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:		[●] *(N.B. If fixed rate – specify date. If floating rate – specify "Interest Payment Date falling in or nearest to [specify month and year]")*
11.	Interest Basis:		[Fixed Rate]

			[Floating Rate] (see paragraphs 17 and 18 below)
12.	Redemption/Payment Basis:		[99]/[100]/[101]/[●] per cent. of the nominal amount
13.	Change of Interest Basis or Redemption/ Payment Basis:		[Not Applicable]/[●]/[In accordance with paragraphs 17 and 18] *(Specify details of any provision for change of Covered Bonds into another Interest Basis or Redemption/Payment Basis)*
14.	Put/Call Options:		[Not applicable] [Investor Put] [Issuer Call] [(see paragraphs 20 and 21 below)]
15.	(i)	Status of the Covered Bonds:	Senior
	(ii)	Status of Covered Bond Guarantee:	Senior
16.	Method of distribution:		[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.	Fixed Rate Covered Bond Provisions:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Rate[(s)] of Interest:	[●] per cent. per annum payable [annually/semi-annually/quarterly/other (*specify*)] in arrear on each Interest Payment Date *(If payable other than annually, consider amending Condition 4)*
	(ii)	Interest Payment Date(s):	[[●] in each year up to and including the Final Maturity Date and Extended Due for Payment Date (if applicable)]/[*specify other*] *(N.B.: This will need to be amended in the case of long or short coupons)*
	(iii)	Fixed Coupon Amount(s) for Covered Bonds in definitive form (and in relation to Covered Bonds in global form see Conditions):	[[●] per Calculation Amount]/[Not Applicable]
	(iv)	Broken Amount(s) for Covered Bonds in definitive form (and in relation to Covered Bonds in global form see Conditions)*:*	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/[Not Applicable]
	(v)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA) or [*specify other*]] [RBA Bond Basis] [*specify other*]]

			[*(NB: Actual/Actual (ICMA) is normally appropriate for Fixed Rate Covered Bonds)*]
	(vi)	Determination Date(s):	[●] in each year [*Insert interest payment dates except where there are long or short periods. In these cases, insert regular interest payment dates. NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA)*]/[Not Applicable]
	(vii)	Business Day Convention:	Following Business Day Convention
18.	Floating Rate Covered Bond Provisions:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub paragraphs of this paragraph)*
	(i)	Specified Period(s)/Specified Interest Payment Date(s):	[●] and including the Final Maturity Date and the Extended Due for Payment Date (if applicable)]/[*specify other*]
	(ii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
	(iii)	Additional Business Centre(s):	[●]/[Not Applicable]
	(iv)	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]]
	(v)	Manner in which the Rate of Interest and Interest Amount are to be determined:	[Applicable/Not Applicable/[*specify other*]]
		– Reference Rate (if applicable):	Reference Rate: [●] month [●] [EURIBOR]/[CNH HIBOR]/[HIBOR]/[NIBOR]/[Compounded Daily SONIA]/[Compounded Daily SOFR]/[Compounded Daily SORA]/[Compounded Daily CORRA]/[Compounded Daily TONA]/[SARON Compounded]/[€STR]/[BBSW Rate] *(If other, additional information is required– including fallback provisions in the Agency Agreement)*
		– Interest Determination Date(s):	[●] (*(i) Second day on which T2 is open prior to the start of each Interest Period if EURIBOR (ii) second Hong Kong business day prior to the start of each Floating Interest Period if CNH HIBOR (iii) first day of each Floating Interest Period if HIBOR (iv) second Oslo business day prior to the start of each Floating Interest Period if NIBOR or (v) the first day of the relevant Floating Interest Period if BBSW Rate or BKBM.* *(i) Day falling the number of London Banking Days included in the below SONIA Observation Look-Back Period if Compounded Daily SONIA (ii) Day following the number of U.S. Government Securities Business Days*

included in the below SOFR Observation Shift Period if Compounded Daily SOFR (iii) the day falling "p" Singapore Business Days if Compounded Daily SORA (iv) day falling five Zurich Banking Days if SARON Compounded (v) "p" Bank of Canada Business Days if Compounded Daily CORRA (vi) "p" Tokyo Business Days if Compounded Daily TONA or (vii) "p" T2 Business Days if €STR, in each case prior to the Interest Payment Date for the relevant Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period))

- Relevant Screen Page: [[●]/[Not Applicable]] *(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*

- SONIA Observation Method: [Not Applicable/Lag/Shift][6]

- SONIA Observation Look-Back Period: [5/[●] [London Banking Day[s]]/[Not Applicable][6]

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

- SOFR Observation Shift Period: [[●] U.S. Government Securities Business Day[s]/Not Applicable][7]

- TONA Observation Method: [Not Applicable/Shift/Lookback][8]

- €STR Calculation Method: [€STR Compounded Daily]/[€STR Index Compounded Daily]/[€STR Weighted Average]/[Not Applicable][9]

- €STR Observation Method: [Lag]/[Lock-out]/[Shift]/[Not Applicable][7]

- p: [[●] [Singapore/Bank of Canada/Tokyo/T2] Business Day[s]/Not Applicable][10]

  (N.B. When setting the length of this period (p) in respect of Covered Bonds referencing "€STR", the practicalities of this period should be discussed with the Principal Paying Agent or the Calculation Agent, as applicable, or such other party responsible for the calculation of the Rate of Interest, in each case as specified in the applicable Final Terms. It is anticipated that 'p' will be

[6] *Only relevant for Floating Rate Covered Bonds which specify the Reference Rate as being "Compounded Daily SONIA".*

[7] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily SOFR".*

[8] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily TONA".*

[9] *Only include for Covered Bonds which specify the Reference Rate as being "€STR".*

[10] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily SORA", "Compounded Daily CORRA", "Compounded Daily TONA" or "€STR".*

			no fewer than five T2 Business Days unless otherwise agreed with the Principal Paying Agent or the Calculation Agent, as applicable/required, or such other party responsible for the calculation of the Rate of Interest, in each case as specified in the applicable Final Terms, in relation to the relevant issuance)
		− Index Determination:	[Applicable]/[Not Applicable][11]
		− [Specified Time:	[●]]
		− [Interest Period End Date(s):	[*specify*]/[The Interest Payment Date for such Interest Period]/[Not Applicable]]
	(vi)	Linear Interpolation:	[Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation] (*Specify for each short or long interest period*)
	(vii)	Margin(s):	[+/-][●]per cent. per annum
	(viii)	Minimum Rate of Interest:	[[●]per cent. per annum]/[Not Applicable]
	(ix)	Maximum Rate of Interest:	[[●]per cent. per annum]/[Not Applicable]
	(x)	Day Count Fraction:	[Actual/Actual (ISDA) or Actual/Actual Actual/365 (Fixed) Actual/360 30/360 *or* 360/360 *or* Bond Basis 30E/360 *or* Eurobond Basis 30E/360 (ISDA) RBA Bond Basis *Specify Other*] (*See Condition 4.3 for more options*)
	(xi)	Fall back 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:	[●]
PROVISIONS RELATING TO REDEMPTION			
19.	Notice periods for Condition 5.2 (*Redemption for Tax Reasons*) or Condition 5.5 (*Redemption due to Illegality*):		Minimum Period: [30]/[●] days Maximum Period: [60]/[●] days
20.	Issuer Call:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Optional Redemption Date(s):	[●]

[11] *Only include for Covered Bonds which specify the Reference Rate as being "Compounded Daily SONIA", "Compounded Daily SOFR", "Compounded Daily SORA" or "Compounded Daily CORRA".*

	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount/*specify other/ see Appendix*] *(If applicable, include a description of any relevant market disruption or settlement disruption events and adjustment provisions)*
	(iii)	If redeemable in part:	
		Partial redemption (call):	[Applicable/Not Applicable]
		(a) Minimum Redemption Amount:	[●]
		(b) Higher Redemption Amount:	[●]
	(iv)	Notice period (if other than as set out in the Conditions):	Minimum Period: [5]/[●] days Maximum Period: [30]/[●] days *(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)*
21.	Investor Put:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount/specify other/ see Appendix] [*If applicable, include a description of any relevant market disruption or settlement disruption events and adjustment provisions*]
	(iii)	Notice period (if other than as set out in the Conditions):	Minimum Period: [30]/[●] days Maximum Period: [60]/[●] days *(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)*
22.	Final Redemption Amount:		[[●] per Calculation Amount/*specify other/see Appendix] (If applicable, include a description of any relevant market disruption or settlement disruption events and adjustment provisions)*
23.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same:		[[●] per Calculation Amount/Early Settlement Amount/*specify other*/see Appendix] (*If applicable, include a description of any relevant market disruption or settlement disruption events and adjustment provisions*)

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

24.	Form of Covered Bonds:	[Bearer Covered Bonds: [Temporary Bearer Global Covered Bond exchangeable for a Permanent Bearer Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds [only upon an Exchange Event]] [Temporary Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds] [Permanent Bearer Global Covered Bond exchangeable for Bearer Definitive Covered Bonds [only after an Exchange Event]] *(N.B. The exchange upon notice 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])* [Registered Covered Bonds: [Registered Covered Bonds[Restricted/Unrestricted] Global Certificate[s]] - [Euroclear/Clearstream, Luxembourg] [Regulation S] Regulation S Global Covered Bond registered in the name of [a common depositary for Euroclear and Clearstream, Luxembourg] [Regulation S Global Covered Bond (U.S.$[●] nominal amount) registered in the name of the common depositary for [Euroclear and Clearstream, Luxembourg]]
25.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/[●]] *(Note that this item relates to the place of payment and not Interest Payment Dates)*
26.	Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	[Yes, as 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]. *If yes, give details*

DISTRIBUTION

27.	(i)	If syndicated, names and addresses of Managers and underwriting commitments:	[Not Applicable/[●] [*Give names, addresses and underwriting commitments*] *(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)*
	(ii)	Date of [Subscription Agreement]/[Terms Agreement]:	[●]

	(iii) Stabilising Manager(s) (if any):	[Not Applicable/*give name(s)*]
28.	If non-syndicated, name and address of relevant Dealer:	[Not Applicable/*give name and address*]
29.	Definitive Covered Bonds to be in ICMA or successor's format:	[Yes/No] (*If nothing is specified, Definitive Covered Bonds will be security printed and in ICMA or successor's format*)
30.	U.S. Selling Restrictions:	[Reg. S Compliance Category 2]
31.	Whether TEFRA D rules applicable or TEFRA rules not applicable:	[TEFRA D/TEFRA not applicable]
32.	Additional selling restrictions:	[Not Applicable]/[**Republic of Korea** The Covered Bonds have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Services and Capital Markets Act (the **FSCMA**). None of the Covered Bonds may be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except as otherwise permitted under the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the **FETL**). For a period of one year from the issue date of the Covered Bonds, any acquirer of the Covered Bonds who was solicited to buy the Covered Bonds in Korea is prohibited from transferring any of the Covered Bonds to another person in any way other than as a whole to one transferee. Furthermore, the purchaser of the Covered Bonds shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Covered Bonds.][12]
33.	Additional U.S. Federal Tax or ERISA Considerations:	[Not Applicable/*give details*]
34.	Additional Terms and Conditions:	[●]

[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 U.S.$40,000,000,000 CBA Covered Bond Programme of the Commonwealth Bank of Australia.]

RESPONSIBILITY

[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

[12] *Only include for Covered Bonds sold in the Republic of Korea.*

information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of **Commonwealth Bank of Australia:**

By: .....

Name:

Title:

Duly authorised

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

By: .....

Attorney:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing:	[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Covered Bonds to be listed on [*specify market – note this must not be an EEA regulated market or the London Stock Exchange's main market*] with effect from [●].] [Not Applicable]

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: *[Need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider. Consider including the following (to be completed at the time of the relevant issuance):* [[Moody's Investors Service] has, in its [*month, year*] publication "[*Rating Symbols and Definitions*]", described a credit rating of ['Aaa'] in the following terms: ["Obligations rated Aaa are judged to be of high quality and are subject to very low credit risk … Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aaa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."]] [*Complete as applicable*]. [[Fitch Ratings] has, in its [*month, year*] publication "[*Fitch Ratings Definitions*]", described a [long term] credit rating of ['AAA'] in the following terms: ["'AAA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. Note: Within rating categories, Fitch may use modifiers. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories."]] [*Complete as applicable*]]] *(The above disclosure should reflect the rating allocated to the Covered Bonds of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)* *Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 (Cth) (**Corporations Act**) and is also a sophisticated*

investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute them to any person who is not entitled to receive them.

3. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

(i)	Reasons for the offer:	[See ["*Use of Proceeds*"] in the Prospectus/[●]]
(ii)	Estimated net proceeds:	[●]

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

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

5. YIELD (FIXED RATE COVERED BONDS ONLY)

Indication of yield:	[●] per cent. per annum [Calculated as [include details of method of calculation in summary form] on the Issue Date.] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

(i)	ISIN Code:	[●]
(ii)	CUSIP:	[●]
(iii)	CFI Code:	[[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]
(iv)	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 Code and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable")*
(v)	Common Code:	[●]

(vi)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and The Depository Trust Company and Austraclear and the relevant identification number(s):	[Not Applicable/give name(s) and number(s)]
(vii)	Delivery:	Delivery [against/free of] payment
(viii)	Name and address of initial Paying Agent in relation to the Covered Bonds:	[Not Applicable/[●]]
(ix)	Names and addresses of additional Paying Agent(s) (if any) in relation to the Covered Bonds:	[Not Applicable/[●]]
(x)	Name and address of Calculation Agent in relation to A$ Registered Covered Bonds if other than the Issuer:	[Not Applicable/[●]]
(xi)	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] *(If the Covered Bonds clearly do not constitute "packaged" products or the Covered Bonds constitute "packaged products" and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Covered Bonds may constitute "packaged" products and no key information document will be prepared in the EEA, "Applicable" should be specified.)*
(xii)	Prohibition of Sales to UK Retail Investors:	[Applicable/Not Applicable] *(If the Covered Bonds clearly do not constitute consumer composite investments under the CCI regime or the Covered Bonds do constitute consumer composite investments and a disclosure document will be prepared in the UK, "Not Applicable" should be specified. If the Covered Bonds may constitute consumer composite investments and no disclosure document will be prepared in the UK, "Applicable" should be specified.)*
(xiii)	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 UK Financial Conduct Authority [(**FCA**)] pursuant to Article 36 of Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, as amended [(the **EUWA**)].] [As at the date hereof, [[●] does not appear in the register of administrators and benchmarks established and maintained by the FCA pursuant to

Article 36 of Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the [European Union (Withdrawal) Act 2018, as amended (the **EUWA**)][EUWA]. [As far as the Issuer is aware, as at the date hereof, the transitional provisions in Article 51 of Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the EUWA apply, such that [●] is not currently required to obtain authorisation/registration (or, if located outside the UK, recognition, endorsement or equivalence).]/[[●] does not fall within the scope of the Regulation (EU) No. 2016/1011 as it forms part of domestic law in the UK by virtue of the [European Union (Withdrawal) Act 2018, as amended][EUWA].]].

TERMS AND CONDITIONS OF THE COVERED BONDS

The following are the terms and conditions (the **Conditions**) of the Covered Bonds (other than N Covered Bonds) which will be incorporated by reference into, and (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) apply to each Global Covered Bond (as defined below) and 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. The final terms for this Covered Bond (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Covered Bond which supplement these Conditions or, if this Covered Bond is a Covered Bond which is neither admitted to trading on a UK regulated market as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom (**UK**) by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**), nor a Covered Bond for which no prospectus is required to be published under the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (an **Exempt Covered Bond**), the final terms (or the relevant provisions thereof) are set out in Part A of the applicable Pricing Supplement attached to or endorsed on this Covered Bond and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Covered Bond. References to the **applicable Final Terms** are, unless otherwise stated, (i) to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Covered Bond or (ii) where this Covered Bond is an Exempt Covered Bond, to Part A (or the relevant provisions thereof) of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Covered Bond.

This Covered Bond is one of a Series (as defined below) of Covered Bonds issued by Commonwealth Bank of Australia (the **Issuer**) constituted by a trust deed (such trust deed as modified and/or supplemented and/or restated from time to time, the **Bond Trust Deed**) dated 15 November 2011 (the **Programme Date**) made between the Issuer, Perpetual Corporate Trust Limited ABN 99 000 341 533 in its capacity as trustee of the CBA Covered Bond Trust (the **Trust**) (and in such capacity, the **Covered Bond Guarantor**), Securitisation Advisory Services Pty. Limited ABN 88 064 133 946 as trust manager (the **Trust Manager**) and Deutsche Trustee Company Limited as bond trustee (in such capacity, the **Bond Trustee**, which expression will include any successor bond trustee).

Save as provided for in Conditions 9 and 10, references in these Conditions to the Covered Bonds are references to the Covered Bonds of this Series and mean:

(a) in relation to any Covered Bonds represented by a global covered bond in bearer form (a **Bearer Global Covered Bond**) or a global covered bond in registered form (a **Regulation S Global Covered Bond**), each of them 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 Bearer Global Covered Bond; and

(d) any Definitive Covered Bonds in registered form (**Regulation S Definitive Covered Bonds**) (whether or not issued in exchange for a Regulation S Global Covered Bond).

The Covered Bonds and the Coupons (as defined below) have the benefit of a principal agency agreement (such principal agency agreement as amended and/or supplemented and/or restated from time to time the **Principal Agency Agreement**) dated on or about the Programme Date and made between the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Trust Manager and Deutsche Bank AG, London Branch as principal paying agent (in such capacity, the **Principal Paying Agent**, which expression includes any successor principal paying agent), Deutsche Bank Trust Company Americas (the **U.S. Paying Agent**, **U.S. Transfer Agent** and **U.S. Registrar**) and the other paying agents appointed pursuant to the Principal Agency Agreement (together with the Principal Paying Agent and the U.S. Paying Agent, the **Paying Agents**, which expression includes any additional or successor paying agents), Deutsche Bank, Luxembourg, S.A. as transfer agent (in such capacity, the **Transfer Agent**, which expression includes any additional or successor transfer agent) and as registrar (in such capacity, the **Registrar**, which expression includes any successor registrar) and Deutsche Bank AG, London Branch as exchange agent (in such capacity, the **Exchange Agent**, which expression includes any additional or successor exchange agent). If so specified in the applicable Final Terms, the Issuer will also appoint a calculation agent with

respect to a Series (the **Calculation Agent**, which expression shall include any successor calculation agent and any other calculation agent specified in the applicable Final Terms).

The applicable Final Terms may specify any other agency agreement that applies to Covered Bonds and Coupons issued by the Issuer.

As used herein, **Agents** will mean each Paying Agent, each Exchange Agent, each Transfer Agent, each Registrar, **Principal Paying Agent** will mean, in relation to a Tranche or Series of Covered Bonds, the Principal Paying Agent or such other paying agent as the applicable Final Terms for that Tranche or Series may specify, **Registrar** will mean, in relation to a Tranche or Series of Covered Bonds, the Registrar or such other registrar as the applicable Final Terms for that Tranche or Series may specify, **Transfer Agent** will mean, in relation to a Tranche or Series of Covered Bonds, the Transfer Agent or such other transfer agent as the applicable Final Terms for that Tranche or Series may specify and **Exchange Agent** will mean, in relation to a Tranche or Series of Covered Bonds, the Exchange Agent or such other exchange agent as the applicable Final Terms for that Tranche or Series may specify.

Interest-bearing Bearer Definitive Covered Bonds have (unless otherwise indicated in the applicable Final Terms) interest coupons (**Coupons**) and, if indicated in the applicable Final Terms, talons for further Coupons (**Talons**) attached on issue. Any reference in these Conditions to Coupons or coupons will, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Covered Bonds (which include Regulation S Global Covered Bonds and/or Regulation S Definitive Covered Bonds as the case may be) and Global Covered Bonds do not have Coupons or Talons attached on issue.

The Bond Trustee acts as trustee for the holders for the time being of the Covered Bonds (the **Covered Bondholders**, which expression will, in relation to any Covered Bonds represented by a Global Covered Bond, be construed as provided below) and the holders of the Coupons (the **Couponholders**, which expression, unless the context otherwise requires, includes the holders of the Talons) and for holders of each other Series of Covered Bonds in accordance with the provisions of the Bond Trust Deed.

As used in these Conditions, **Tranche** means Covered Bonds which are identical in all respects (including as to listing or admission to trading) and **Series** means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are: (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing or admission to trading) except for their respective Issue Dates, Interest Commencement Dates, Issue Prices and/or the amount of the first payment of interest (if any).

The Covered Bond Guarantor has, in the Bond Trust Deed, irrevocably and unconditionally guaranteed the due and punctual payment of Guaranteed Amounts in respect of the Covered Bonds as and when the same become due for payment on certain dates in accordance with the Bond Trust Deed (**Due for Payment**), but only after service of a Notice to Pay on the Covered Bond Guarantor following an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer or the occurrence of Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer.

The security for the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and the other Programme Documents to which it is a party has been created in and pursuant to, and on the terms set out in, a security deed governed by the laws of New South Wales, Australia (such security deed as amended and/or supplemented and/or restated from time to time, the **Security Deed**) dated on or about the Programme Date and made between the Covered Bond Guarantor, the Issuer, the Trust Manager, the Bond Trustee, P.T. Limited ABN 67 004 454 666 (the **Security Trustee**) and certain other Secured Creditors.

These Conditions include summaries of, and are subject to, the provisions of the Bond Trust Deed, the Security Deed and the Agency Agreements (as applicable).

Copies of the Bond Trust Deed, the Security Deed, the Definitions Schedule (as defined below), the Principal Agency Agreement and each of the other Programme Documents (i) are available for inspection and collection free of charge during normal business hours at the registered office for the time being of the Bond Trustee at 21 Moorfields, London EC2Y 9DB, United Kingdom and at the specified office of the Principal Paying Agent, or (ii) may be provided by email to a Covered Bondholder or a Couponholder following their prior written request to the Bond Trustee, the Principal Paying Agent, the Registrar or Transfer Agent and provision of proof of holding and identity (in a form satisfactory to the Bond Trustee, the Principal Paying Agent, the Registrar or Transfer Agent (as applicable)).

Copies of the applicable Final Terms for all Covered Bonds of each Series (including in relation to unlisted Covered Bonds of any Series) are (i) obtainable during normal business hours at the specified office of the Paying Agents, the Registrar and the Transfer Agent or (ii) may be provided by email to a Covered Bondholder or a Couponholder following their prior written request to the Paying Agent, the Registrar or Transfer Agent and provision of proof of holding and identity (in a form satisfactory to the Paying Agent). If the Covered Bonds are to be admitted to trading on the London Stock Exchange's main market the applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory information service. If this Covered Bond is an Exempt Covered Bond, the applicable Pricing Supplement will only be obtainable by a Covered Bondholder holding one or more Covered Bonds and such Covered Bondholder must produce evidence satisfactory to the Issuer and the Bond Trustee or, as the case may be, the relevant Paying Agent, the Registrar or Transfer Agent as to its holding of Covered Bonds and identity. The Covered Bondholders and the Couponholders are deemed to have notice of, are bound by, and are entitled to the benefit of, all the provisions of, and definitions contained in, the Bond Trust Deed, the Security Deed, the Definitions Schedule (as defined below), the Principal Agency Agreement, each of the other Programme Documents and the applicable Final Terms which are applicable to them and to have notice of the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) relating to each other Series.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions bear the meanings given to them in the Bond Trust Deed, the applicable Final Terms and/or the CBA Covered Bond Trust Definitions Schedule made between the parties to the Programme Documents on the Programme Date (the **Definitions Schedule**) (as the same may be amended and/or supplemented and/or restated from time to time), a copy of each of which may be obtained or inspected as described above. In the event of any inconsistency between the Bond Trust Deed and the Definitions Schedule, the Bond Trust Deed will prevail and in the event of any inconsistency between the Bond Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

1. FORM, DENOMINATION AND TITLE

The Covered Bonds are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of Definitive Covered Bonds (being Bearer Definitive Covered Bond(s) and/or, as the context may require, Regulation S 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 and vice versa.

This Covered Bond is a Fixed Rate Covered Bond or a Floating Rate Covered Bond depending upon the Interest Basis specified in the applicable Final Terms and, depending on the Redemption/Payment Basis specified in the applicable Final Terms, and subject, in each case, to confirmation from the Rating Agencies that the then current credit ratings of any outstanding Series of Covered Bonds will not be adversely affected by the issuance of this Covered Bond.

If this Covered Bond is a Bearer Definitive Covered Bond, it is issued with Coupons and, if applicable, Talons attached.

Subject as set out below, title to the Bearer Covered Bonds and the Coupons will pass by delivery and title to the Registered Covered Bonds will pass upon the registration of transfers in accordance with the provisions of the Principal Agency Agreement. The Issuer, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee and each of the Agents will (except as otherwise permitted in the Bond Trust Deed and these Conditions or as ordered by a court of competent jurisdiction or as required by law or applicable regulations) deem and treat the bearer of any Bearer Covered Bond or Coupon and the registered holder of any Registered Covered Bond as the absolute owner thereof (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Covered Bond, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Covered Bonds are represented by a Global Covered Bond 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, Luxembourg**) or its nominee each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg 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,

Luxembourg 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 EasyWay or Clearstream, Luxembourg's Xact Online Portal) in accordance with its usual procedures and in which the holder of a particular nominal amount of the Covered Bonds is clearly identified with the amount of such holding) will be treated by the Issuer, the Covered Bond Guarantor, the Paying Agents, the Security Trustee and the Bond Trustee as the holder of such nominal amount of such Covered Bonds for all purposes other than with respect to the payment of principal or interest or other amounts on such nominal amount of such Covered Bonds 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, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg will, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Bond Trustee and the Principal Paying Agent (any such clearing system, an **Alternative Clearing System**).

2. TRANSFERS OF REGISTERED COVERED BONDS

2.1 Transfers of interests in Regulation S Global Covered Bonds

Transfers of beneficial interests in Regulation S Global Covered Bonds (as defined below) (the **Regulation S Global Covered Bonds**) will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Regulation S 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 Regulation S Global Covered Bond only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Principal Agency Agreement.

2.2 Transfers of Regulation S Definitive Covered Bonds

A Regulation S Definitive Covered Bond may be transferred in whole or in part (in the nominal amount of the lowest Specified Denomination or any integral multiple thereof) by the deposit by the transferor of the Regulation S Definitive Covered Bond for registration of the transfer at the specified office of a Transfer Agent with the form of transfer endorsed on the Regulation S Definitive Covered Bond duly completed and executed by or on behalf of the transferor and upon the relevant Transfer Agent (after due and careful enquiry) being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations as the Issuer and the Transfer Agent may prescribe. Subject as provided above, the relevant Transfer Agent will, within 14 days of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), deliver at its specified office to the transferee or (at the risk of the transferee) send by mail to such address as the transferee may request a new Regulation S Definitive Covered Bond of a like aggregate nominal amount to the Regulation S Definitive Covered Bond (or the relevant part of the Regulation S Definitive Covered Bond) transferred. In the case of the transfer of part only of a Regulation S Definitive Covered Bond, a new Regulation S Definitive Covered Bond in respect of the balance of the Regulation S Definitive Covered Bond not transferred will be so delivered or (at the risk of the transferor) sent to the transferor.

2.3 Partial redemption

In the event of a partial redemption of Covered Bonds under Condition 5.3, the Issuer will not be required to:

(i) register the transfer of any Regulation S Definitive Covered Bond or part of any Regulation S Definitive Covered Bond called for partial redemption; or

(ii) exchange any Bearer Definitive Covered Bond called for partial redemption.

2.4 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 at the specified office of a Transfer Agent or by regular mail and except that the Issuer, any Registrar or any Transfer Agent may require the payment of a sum sufficient to cover any Taxes, including stamp duty, GST or other governmental charge that may be imposed in relation to the registration.

2.5 Principal Paying Agent, Paying Agents, Registrar, Transfer Agent and Exchange Agent

The names of the initial Registrar and other initial Transfer Agents and Exchange Agent(s) and their initial specified offices in respect of this Series of Covered Bonds are set out at the end of these Conditions. The Issuer reserves the right at any time to vary or terminate the appointment of the Registrar or any other Transfer Agent or Exchange Agent(s) and to appoint another Registrar or additional or other Transfer Agents or Exchange Agent(s) provided that it will at all times maintain a Registrar and another Transfer Agent or Exchange Agent(s) each having a specified office which, in the case of the Registrar and so long as any Covered Bonds of this Series are admitted to the official list (the **Official List**) of the Financial Conduct Authority (the **FCA**) and to trading on the London Stock Exchange plc's main market or on another stock exchange, is in London or such other place as may be required by that stock exchange. Notice of any termination or appointment and of any changes in specified offices will be given to the holders of Covered Bonds of this Series promptly by the Issuer in accordance with Condition 12.

The names of the initial Principal Paying Agent and the other initial Paying Agents and their initial specified offices in respect of this Series of Covered Bonds are set out below. The Issuer and (following service of a Notice to Pay but prior to the service of a Covered Bond Guarantee Acceleration Notice) the Covered Bond Guarantor may at any time vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that it will, so long as any of Covered Bonds of this Series is outstanding, maintain: (a) a Principal Paying Agent, (b) a Paying Agent (which may be the Principal Paying Agent) having a specified office in a leading financial centre in Europe, (c) so long as any Covered Bonds of this Series are admitted to the Official List and to trading on the London Stock Exchange plc's market for listed securities, a Paying Agent (which may be the Principal Paying Agent) having a specified office in London or other place as may be required by that stock exchange and (d) for so long as any Exempt Covered Bonds are listed on any stock exchange not in the UK or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Covered Bonds) and a Transfer Agent (in the case of Registered Covered Bonds) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or as the case may be, other relevant authority. In addition, the Issuer must forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.4. Any such variation, termination or change may only take effect (other than in the case of insolvency, when it may be of immediate effect) after not less than 30 days' prior notice thereof has been given to the holders of Covered Bonds of this Series in accordance with Condition 12 and provided further that neither the resignation nor the removal of the Principal Paying Agent will take effect, except in the case of insolvency as aforesaid, until a new Principal Paying Agent has been appointed. Notice of any change in or addition to the Paying Agents or their specified offices will be given by the Issuer promptly in accordance with Condition 12.

2.6 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 Regulation S Global Covered Bond of the same type at any time.

2.7 Definitions

In these Conditions, the following expressions have the following meanings:

Regulation S means Regulation S under the Securities Act.

Regulation S Global Covered Bond means a Regulation S Global Covered Bond representing Covered Bonds sold outside the United States in reliance on Regulation S.

Securities Act means the United States Securities Act of 1933, as amended.

3. STATUS OF THE COVERED BONDS AND THE COVERED BOND GUARANTEE

3.1 Status of the Covered Bonds

The Covered Bonds of this Series and any relevant Coupons constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference or priority among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (other than any obligation preferred by mandatory provisions of applicable law) from time to time outstanding.

3.2 Changes to applicable laws may extend the debts required to be preferred by law

The applicable laws include (but are not limited to) sections 13A and 16 of the Banking Act 1959 of the Commonwealth of Australia (**Australian Banking Act**) and section 86 of the Reserve Bank Act 1959 of the Commonwealth of Australia (**Australian Reserve Bank Act**). These provisions provide that in the event that the Issuer becomes unable to meet its obligations or suspends payment, its assets in Australia are to be available to meet its liabilities to, among others, APRA, the RBA and holders of protected accounts held in Australia, in priority to all other liabilities, including the Covered Bonds.

The Covered Bonds of this Series are not protected accounts or deposit liabilities of the Issuer for the purposes of the Australian Banking Act.

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

3.3 Status of the Covered Bond Guarantee

The payment of Guaranteed Amounts in respect of the Covered Bonds when the same become Due for Payment has been unconditionally and irrevocably guaranteed by the Covered Bond Guarantor (the **Covered Bond Guarantee**) as set out in the Bond Trust Deed. However, the Covered Bond Guarantor will have no obligation under the Covered Bond Guarantee to pay any Guaranteed Amounts until the occurrence of an Issuer Event of Default, service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and service by the Bond Trustee on the Covered Bond Guarantor of a Notice to Pay or, if earlier, following the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following an Issuer Event of Default, service of an Issuer Acceleration Notice and service of a Notice to Pay or a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice), direct and unconditional (subject as provided in Condition 15) obligations of the Covered Bond Guarantor, which are secured as provided in the Security Deed.

Any payment made by the Covered Bond Guarantor under the Covered Bond Guarantee will (unless such obligation has been discharged as a result of the payment of Excess Proceeds to the Bond Trustee pursuant to Condition 9) discharge *pro tanto* the obligations of the Issuer in respect of such payment under the Covered Bonds and Coupons except where such payment has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Bond Trustee or the Covered Bondholders.

4. INTEREST

The applicable Final Terms will indicate whether the Covered Bonds are Fixed Rate Covered Bonds or Floating Rate Covered Bonds.

4.1 Interest on Fixed Rate Covered Bonds

This Condition 4.1 applies to Fixed Rate Covered Bonds only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4.1 for full information on the manner in which interest is calculated on Fixed Rate Covered Bonds. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any

applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

(a) Each Fixed Rate Covered Bond bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest specified in the applicable Final Terms. Interest in respect of Fixed Rate Covered Bond will accrue in respect of each **Fixed Interest Period** (which expression will in these Conditions mean the period from (and including) an Interest Payment Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date. If a Notice to Pay is served on the Covered Bond Guarantor, the Covered Bond Guarantor will pay Guaranteed Amounts in equivalent amounts to those described above under the Covered Bond Guarantee in respect of the Covered Bonds on the applicable Original Due for Payment Dates or, if applicable, the Extended Due for Payment Date.

If the Covered Bonds are Definitive Covered Bonds and if a Fixed Coupon Amount is specified in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount or the Broken Amount (if any) so specified.

Interest will be paid subject to and in accordance with the provisions of Condition 6 (unless otherwise specified in the applicable Final Terms). Interest will cease to accrue on each Fixed Rate Covered Bond (or, in the case of the redemption of part only of a Fixed Rate Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event, interest will continue to accrue (as well after as before any judgment) until, but excluding, whichever is the earlier of (i) the day on which all sums due in respect of such Fixed Rate Covered Bond up to that day are received by or on behalf of the holder of such Fixed Rate Covered Bond and (ii) the day which is seven days after the date on which the Principal Paying Agent has notified the holder in accordance with Condition 12 that it has received all sums due in respect thereof up to that date.

(b) Except in the case of Covered Bonds which are Definitive Covered Bonds where a Fixed Coupon Amount or Broken Amount, is specified in the applicable Final Terms, the Principal Paying Agent will calculate the amount of interest (the **Interest Amount**) payable in respect of any period by applying the Rate of Interest to:

(i) in the case of Fixed Rate Covered Bonds which are Global Covered Bonds, the aggregate Calculation Amount of the Fixed Rate Covered Bonds represented by such Global Covered Bonds; or

(ii) in the case of Fixed Rate Covered Bonds which are Definitive Covered Bonds, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Covered Bond which is a Definitive Covered Bond is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Covered Bond will be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

The calculation of each Interest Amount by the Principal Paying Agent shall (in the absence of manifest error) be final and binding upon all parties.

In this Condition 4.1, **Day Count Fraction** has the meaning given to it in Condition 4.3.

In these Conditions, **sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

4.2 Interest on Floating Rate Covered Bonds

This Condition 4.2 applies to Floating Rate Covered Bonds only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 4.2 for full information on the manner in which interest is calculated on Floating Rate Covered Bonds. In particular, the applicable Final Terms will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, the party who will calculate the amount of interest due (if it is not the Principal Paying Agent), the Margin, any maximum or minimum interest rates and the Day Count Fraction. The applicable Final Terms will specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

(a) *Interest Payment Dates*

Each Floating Rate Covered Bond bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the **Specified Period** in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each period from and including an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Covered Bonds become payable on a date other than an Interest Payment Date (each such period, a **Floating Interest Period** and, together with a Fixed Interest Period, each an **Interest Period**). If a Notice to Pay is served on the Covered Bond Guarantor, the Covered Bond Guarantor will pay Guaranteed Amounts in equivalent amounts to those described above under the Covered Bond Guarantee in respect of the Covered Bonds on the applicable Original Due for Payment Dates or, if applicable, the Extended Due for Payment Date.

(b) *Interest Payments and Accrual*

Interest will be paid subject to and in accordance with the provisions of Condition 6 (unless otherwise specified in the applicable Final Terms). Interest will cease to accrue on each Floating Rate Covered Bond (or, in the case of the redemption of part only of a Floating Rate Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before any judgment) until, but excluding, whichever is the earlier of (i) the day on which all sums due in respect of such Floating Rate Covered Bond up to that day are received by or on behalf of the holder of such Floating Rate Covered Bond and (ii) the day which is seven days after the date on which the Principal Paying Agent has notified the holder in accordance with Condition 12 that it has received all sums due in respect thereof up to that date.

(c) *Rate of Interest*

The Rate of Interest payable from time to time in respect of each Floating Rate Covered Bond will be determined in the manner specified in the applicable Final Terms.

(d) *Floating Rate Covered Bonds referencing EURIBOR, CNH HIBOR, HIBOR or NIBOR*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified in the applicable Final Terms as being **EURIBOR**, **CNH HIBOR**, **HIBOR** or **NIBOR**, the Rate of Interest for a Floating Interest Period will, subject to Condition 4.7 and subject as provided below, be either:

(A) the offered quotation; or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being EURIBOR, CNH HIBOR, HIBOR or NIBOR, as specified in the applicable Final Terms) which appears, or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

(ii) In the event that the Relevant Screen Page is not available or if, in the case of Condition 4.2(d)(i)(A), no such offered quotation appears or, in the case of Condition 4.2(d)(i)(B), fewer than three of the offered quotations appear, in each case as at the Specified Time, the Issuer shall request each of the Reference Banks (as defined below) to provide the Principal Paying Agent or the Calculation Agent, as applicable, with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as applicable, with offered quotations, the Rate of Interest for the Floating Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

(iii) If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent or the Calculation Agent, as applicable with such an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Floating Interest Period shall be the Reserve Interest Rate. The **Reserve Interest Rate** shall be the rate per annum which the Principal Paying Agent or the Calculation Agent, as applicable, determines to be either (i) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (at the request of the Issuer) the Principal Paying Agent or the Calculation Agent, as applicable, by the Reference Banks or any two or more of them, at which such banks offered, at approximately the Specified 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 Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Hong Kong inter-bank market (if the Reference Rate is CNH HIBOR or HIBOR) or the Oslo inter-bank market (if the Reference Rate is NIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as applicable, with offered rates, 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 which, at approximately the Specified 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 the purpose) informs the Principal Paying Agent or the Calculation Agent, as applicable, it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Hong Kong inter-bank market (if the Reference Rate is CNH HIBOR or HIBOR) or the Oslo inter-bank market (if the Reference Rate is NIBOR) plus or minus (as appropriate) the Margin (if any), or (ii) in the event that

the Principal Paying Agent or the Calculation Agent, as applicable, can determine no such arithmetic mean, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Floating Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Floating Interest Period in place of the Margin relating to that last preceding Floating Interest Period).

In this Condition 4.2(d)(iii):

Interest Determination Date means the date specified as such in the applicable Final Terms or if none is so specified:

(A) if the Reference Rate is EURIBOR, the second day on which T2 is open prior to the start of each Floating Interest Period;

(B) if the Reference Rate is HIBOR, the first day of each Floating Interest Period;

(C) if the Reference Rate is CNH HIBOR, the second Hong Kong business day prior to the start of each Floating Interest Period; and

(D) if the Reference Rate is NIBOR, the second Oslo business day prior to the start of each Floating Interest Period.

Reference Banks means:

(A) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market;

(B) in the case of a determination of HIBOR, four major banks in the Hong Kong inter-bank market;

(C) in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market; and

(D) in the case of a determination of NIBOR, four major banks in the Oslo inter-bank market,

in each case as selected by the Issuer.

Relevant Financial Centre means Brussels, in the case of a determination of EURIBOR, Hong Kong, in the case of a determination of HIBOR or CNH HIBOR and Oslo, in the case of a determination of NIBOR.

Specified Time means (i) in the case of EURIBOR, 11.00 a.m., Brussels time; (ii) in the case of HIBOR, 11.00 a.m., Hong Kong time; (iii) in the case of CNH HIBOR, 11.15 a.m., Hong Kong time, or if, at or around that time it is notified that the fixing will be published at 2:30 p.m., Hong Kong time, then as of 2:30 p.m., Hong Kong time; and (iv) in the case of NIBOR, 12.00 noon, Oslo time.

(e) *Floating Rate Covered Bonds referencing Compounded Daily SONIA*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified in the applicable Final Terms as being **Compounded Daily SONIA**, the Rate of Interest for each Floating Interest Period will, subject as provided below, be Compounded Daily SONIA with respect to such Floating Interest Period plus or minus the Margin (if any) as specified in the applicable Final Terms, all as determined and calculated by the Principal Paying Agent or the Calculation Agent, as applicable.

Compounded Daily SONIA means, with respect to a Floating Interest Period:

(A) if Index Determination is specified as being applicable in the applicable Final Terms, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SONIA\ Compounded\ Index_{\ y}}{SONIA\ Compounded\ Index_{\ x}} - 1\right) x \frac{365}{d}$$

where:

SONIA Compounded Index$_x$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the first day of the relevant Floating Interest Period;

SONIA Compounded Index$_y$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the Interest Payment Date for the relevant Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Rate);

d is the number of calendar days in the relevant SONIA Observation Period;

provided that if the SONIA Compounded Index value required to determine SONIA Compounded Index$_x$ or SONIA Compounded Index$_y$ does not appear on the Bank of England's Interactive Statistical Database, or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or any successor administrator of SONIA), at the Specified Time on the relevant London Banking Day (or by 5:00 p.m. London time or such later time failing one hour after the customary or scheduled time for publication of the SONIA Compounded Index in accordance with the then-prevailing operational procedures of the administrator of the SONIA Reference Rate or SONIA authorised distributors, as the case may be), then Compounded Daily SONIA for such Floating Interest Period and each subsequent Floating Interest Period shall be **Compounded Daily SONIA** determined in accordance with paragraph (B) below and for these purposes the **SONIA Observation Method** shall be deemed to be **Shift**; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Final Terms, or (y) this Condition 4.2(e)(i)(B) applies to such Floating Interest Period pursuant to the proviso in Condition 4.2(e)(i)(A) above, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365}\right) - 1\right] \times \frac{365}{d}$$

where:

d is the number of calendar days in (where in the applicable Final Terms "Lag" is specified as the SONIA Observation Method) the relevant Floating Interest Period or (where in the applicable Final Terms "Shift" is specified as the SONIA Observation Method) the relevant SONIA Observation Period;

d_o is the number of London Banking Days in (where in the applicable Final Terms "Lag" is specified as the SONIA Observation Method) the relevant

Floating Interest Period or (where in the applicable Final Terms "Shift" is specified as the SONIA Observation Method) the SONIA Observation Period;

i is a series of whole numbers from 1 to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in (where in the applicable Final Terms "Lag" is specified as the SONIA Observation Method) the relevant Floating Interest Period or (where in the applicable Final Terms "Shift" is specified as the SONIA Observation Method) the SONIA Observation Period;

$\mathbf{n_i}$, for any London Banking Day "i", is the number of calendar days from (and including) such London Banking Day "i" up to (but excluding) the following London Banking Day;

$\mathbf{SONIA_{i\text{-}pLBD}}$ means:

(a) where in the applicable Final Terms "Lag" is specified as the SONIA Observation Method, in respect of any London Banking Day "i" falling in the relevant Floating Interest Period, the SONIA Reference Rate for the London Banking Day falling "p" London Banking Days prior to such London Banking Day "i"; or

(b) where in the applicable Final Terms "Shift" is specified as the SONIA Observation Method, "$SONIA_{i\text{-}pLBD}$" shall be replaced in the above formula with "$SONIA_i$", where "$SONIA_i$" means, in respect of any London Banking Day "i" falling in the relevant SONIA Observation Period, the SONIA Reference Rate for such London Banking Day "i".

(ii) In the event that London Banking Day "i" cannot be determined by the Principal Paying Agent or the Calculation Agent, as applicable, in accordance with the foregoing provisions, the Rate of Interest shall be:

(A) determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Floating Interest Period from that which applied to the last preceding Floating Interest Period, the Margin, the Maximum Rate of Interest and/or the Minimum Rate of Interest (as the case may be) relating to the relevant Floating Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Floating Interest Period); or

(B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Covered Bonds for the first scheduled Floating Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Floating Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Floating Interest Period).

(iii) For the purposes of this Condition 4.2(e):

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

p means the number of London Banking Days included in the SONIA Observation Look-Back Period, as specified in the applicable Final Terms;

SONIA has the meaning given to it in the definition of SONIA Reference Rate;

SONIA Compounded Index means, in respect of any London Banking Day, the compounded daily SONIA rate as published by the Bank of England (or any successor administrator of SONIA) as such rate appears on the Bank of England's Interactive Statistical Database, or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or any successor administrator of SONIA), at the Specified Time on such London Banking Day;

SONIA Observation Look-Back Period means the period specified as such in the applicable Final Terms;

SONIA Observation Period means, in respect of any Floating Interest Period, the period from (and including) the date falling *p* London Banking Days prior to the first day of such Floating Interest Period to (but excluding) the date falling *p* London Banking Days prior to the Interest Payment Date for such Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period);

the **SONIA Reference Rate** means, in respect of any London Banking Day, the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking Day as provided by the Bank of England, as administrator of such rate or any successor administrator of such rate, to authorised distributors (the **SONIA authorised distributors**) and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by the SONIA authorised distributors) on the London Banking Day immediately following such London Banking Day; *provided* that if, in respect of any London Banking Day, the applicable SONIA Reference Rate is not made available on the Relevant Screen Page or has not otherwise been published by the SONIA authorised distributors by 5.00 p.m. London time, then (unless the Principal Paying Agent or the Calculation Agent, as applicable, has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to Condition 4.7 below, if applicable) the SONIA Reference Rate in respect of such London Banking Day shall be:

(A) the sum of (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. London time (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or

(B) if the Bank Rate described in paragraph (A) above is not available at such time on such London Banking Day, the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the SONIA authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the SONIA authorised distributors); and

Specified Time means 10:00 a.m., London time, or such other time as is specified in the applicable Final Terms.

(f) *Floating Rate Covered Bonds referencing Compounded Daily SOFR*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified in the applicable Final Terms as being Compounded Daily SOFR, the Rate of Interest for each Floating Interest Period will, subject as provided below, be Compounded Daily SOFR for such Floating Interest Period plus or minus

(as specified in the applicable Final Terms) the Margin (if any), all as determined and calculated by the Principal Paying Agent or the Calculation Agent, as applicable.

Compounded Daily SOFR means, with respect to a Floating Interest Period,

(A) if Index Determination is specified as being applicable in the applicable Final Terms, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d}\right)$$

where:

SOFR Index$_{Start}$ is the SOFR Index value for the day falling *p* U.S. Government Securities Business Days prior to the first day of the relevant Floating Interest Period;

SOFR Index$_{End}$ is the SOFR Index value for the day falling *p* U.S. Government Securities Business Days prior to the Interest Payment Date for the relevant Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period); and

d is the number of calendar days in the relevant SOFR Observation Period;

provided that, if the SOFR Index value required to determine SOFR IndexStart or SOFR IndexEnd does not appear on the SOFR Administrator's Website at the Specified 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), "Compounded Daily SOFR" for such Floating Interest Period and each Floating Interest Period thereafter will be determined in accordance with Condition 4.2(f)(i)(B) below; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Final Terms, or (y) this Condition 4.2(f)(i)(B) applies to such Floating Interest Period pursuant to the proviso in Condition 4.2(f)(i)(A) above, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1 + \frac{SOFR_i \times n_i}{360}\right) - 1\right] \times \frac{360}{d}$$

where:

d is the number of calendar days in the relevant SOFR Observation Period;

d_0 is the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

i is a series of whole numbers from one to "d_0", each representing the relevant U.S. Government Securities Business Days in chronological order from, and

including, the first U.S. Government Securities Business Day in the relevant SOFR Observation Period;

n_i, for any U.S. Government Securities Business Day "i", in the relevant SOFR Observation Period, is 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 ("i+1"); and

$SOFR_i$ means, in respect of any U.S. Government Securities Business Day "i" falling in the relevant SOFR Observation Period, the SOFR Reference Rate for such U.S. Government Securities Business Day.

(ii) If the SOFR Benchmark Replacement is at any time required to be used pursuant to paragraph (C) of the definition of SOFR Reference Rate, then the Issuer or the SOFR Benchmark Replacement Agent, as applicable, will determine the SOFR Benchmark Replacement in accordance with the definition thereof with respect to the then-current SOFR Benchmark, and if the Issuer or the SOFR Benchmark Replacement Agent, as applicable, has so determined the SOFR Benchmark Replacement, then:

(A) the Issuer or the SOFR Benchmark Replacement Agent, as applicable, shall also determine the method for determining the rate described in sub-paragraph (a) 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 Specified Time**), (iii) the day on which such rate will appear on, or is obtained from, the 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 Specified Time on the applicable Alternative Relevant Date), which method shall be consistent with industry-accepted practices for such rate;

(B) from (and including) the Affected Day, references to the Specified Time shall in these Conditions be deemed to be references to the Alternative Specified Time;

(C) if the Issuer or the SOFR Benchmark Replacement Agent, as applicable, determine that (i) changes to the definitions of Business Day, Business Day Convention, Compounded Daily SOFR, Day Count Fraction, Interest Determination Date, Interest Payment Date, Floating Interest Period, SOFR Observation Period, SOFR Observation Shift Period, SOFR Reference Rate or U.S. Government Securities Business Day and/or (ii) any other technical changes to any other provision in this Condition 4.2(f)(ii)(C), are necessary in order to implement the SOFR Benchmark Replacement (including any alternative method described in sub-paragraph (iv) of paragraph (A) above) as the SOFR Benchmark in a manner substantially consistent with market practice (or, if the Issuer or the SOFR Benchmark Replacement Agent, as the case may be, decide that adoption of any portion of such market practice is not administratively feasible or if the Issuer or 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 Issuer or the SOFR Benchmark Replacement Agent, as the case may be, determines is reasonably necessary), the Issuer, the Bond Trustee and the Principal Paying Agent and/or the Calculation 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 Principal Agency Agreement in order to provide for

the amendment of such definitions or other provisions to reflect such changes; and

(D) the Issuer will give notice or will procure that notice is given as soon as practicable to the Principal Paying Agent and the Calculation Agent, as applicable, and to the Covered Bondholders in accordance with Condition 12, specifying the SOFR Benchmark Replacement, as well as the details described in paragraph (ii) above and the amendments implemented pursuant to paragraph (C) above.

(iii) For the purposes of this Condition 4.2(f):

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;

ISDA Definitions means the 2021 ISDA Interest Rate Derivatives Definitions published by ISDA or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

ISDA Fallback Adjustment means, 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;

p means the number of U.S. Government Securities Business Days included in the SOFR Observation Shift Period, as specified in the applicable Final Terms;

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;

SOFR means, in respect of any U.S. Government Securities Business Day, the daily secured overnight financing rate for such U.S. Government Securities Business Day as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate);

SOFR Administrator means the Federal Reserve Bank of New York (or any 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 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 Issuer or 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: (a) 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 (b) the SOFR Benchmark Replacement Adjustment; or

(B) the sum of (a) the ISDA Fallback Rate and (b) the SOFR Benchmark Replacement Adjustment;

(C) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or the SOFR Benchmark Replacement Agent, if any, as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the SOFR Benchmark Replacement Adjustment, provided that, (i) if the Issuer or the SOFR Benchmark Replacement Agent, as the case may be, 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 (ii) otherwise, it shall select such rate of interest that it has determined is most comparable to the then-current 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 Issuer or the SOFR Benchmark Replacement Agent, if any, 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 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 Issuer or the SOFR Benchmark Replacement Agent, if any, 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 the SOFR Reference Rate, 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 affiliate of the Issuer or such other 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 that may be made by either the SOFR Benchmark Replacement Agent or the Issuer, so long as such affiliate or other 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 12;

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 paragraph (A) or (B) of the definition of SOFR Benchmark Transition Event, the later of (a) the date of the public statement or publication of information referenced therein and (b) 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 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 Specified Time in respect of any determination, the SOFR Benchmark Replacement Date will be deemed to have occurred prior to the Specified Time for such determination;

SOFR Benchmark Transition Event means, with respect to the then-current SOFR Benchmark, the occurrence of one or more of the following events with respect thereto:

(A) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark announcing that such administrator has ceased or will cease to provide the SOFR Benchmark, 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;

(B) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark, the central bank for the currency of the SOFR Benchmark, an insolvency official with jurisdiction over the administrator for the SOFR Benchmark, a resolution authority with jurisdiction over the administrator for the SOFR Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark, which states that the administrator of the SOFR Benchmark has ceased or will cease to provide the SOFR Benchmark 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

(C) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark announcing that the SOFR Benchmark is no longer representative;

SOFR Index means, in respect of any U.S. Government Securities Business Day, the compounded daily SOFR rate as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) as such rate appears on the SOFR Administrator's Website at the Specified Time on such U.S. Government Securities Business Day;

SOFR Observation Period means, in respect of any Floating Interest Period, the period from (and including) the date falling "p" U.S. Government Securities Business Days prior to the first day of such Floating Interest Period to (but excluding) the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period);

SOFR Observation Shift Period is as specified in the applicable Final Terms; and

SOFR Reference Rate means, in respect of any U.S. Government Securities Business Day:

(A) a rate equal to SOFR for such U.S. Government Securities Business Day appearing on the SOFR Administrator's Website on or about the Specified Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; or

(B) if SOFR in respect of such U.S. Government Securities Business Day does not appear as specified in paragraph (A) above, unless the Issuer or the SOFR Benchmark Replacement Agent, if any, determines that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to SOFR on or prior to the Specified Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day, SOFR in respect of the last U.S. Government Securities Business Day for which such rate was published on the SOFR Administrator's Website; or

(C) if the Issuer or the SOFR Benchmark Replacement Agent, if any, 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 Specified 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 Specified 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), the SOFR Reference Rate 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 Specified Time on the Alternative Relevant Date.

Specified Time means 3:00 p.m., New York City time or such other time as is specified in the applicable Final Terms;

Unadjusted SOFR Benchmark Replacement means the SOFR Benchmark Replacement excluding the SOFR Benchmark Replacement Adjustment; and

U.S. Government Securities Business Day means any day (other than Saturday or Sunday) that is not a day on which the Securities Industry and Financial Markets Association or any successor organisation recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(iv) Notwithstanding the other provisions of this Condition 4.2(f)(iv), if the Issuer has appointed a SOFR Benchmark Replacement Agent and such SOFR Benchmark Replacement Agent is unable to determine whether a SOFR Benchmark Transition Event has occurred or, following the occurrence of a SOFR Benchmark Transition Event, has not selected the SOFR Benchmark Replacement as of the related SOFR Benchmark Replacement Date, in accordance with this Condition 4.2(f)(iv) then, in such case, the Issuer shall make such determination or select the SOFR Benchmark Replacement, as the case may be.

(v) Any determination, decision or election that may be made by the Issuer or the SOFR Benchmark Replacement Agent, if any, pursuant to this Condition 4.2(f)(v), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event (including any determination that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark), circumstance or date and any decision to take or refrain from taking any action or any selection, will be made in the

sole discretion of the Issuer or the SOFR Benchmark Replacement Agent, as the case may be, acting in good faith and in a commercially reasonable manner.

(g) *Floating Rate Covered Bonds referencing Compounded Daily SORA*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified in the applicable Final Terms as being Compounded Daily SORA, the Rate of Interest for each Floating Interest Period will, subject as provided below, be Compounded Daily SORA for such Floating Interest Period plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined and calculated by the Principal Paying Agent or the Calculation Agent, as applicable.

Compounded Daily SORA means, with respect to a Floating Interest Period:

(A) if Index Determination is specified as being applicable in the applicable Final Terms, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{\text{SORA Index}_{end}}{\text{SORA Index}_{start}} - 1\right) \times \frac{365}{d}$$

where:

d is the number of calendar days in the relevant SORA Observation Period;

SORA Index$_{start}$ is the SORA Index Value for the Singapore Business Day falling *p* Singapore Business Days prior to the first day of the relevant Floating Interest Period;

SORA Index$_{end}$ is the SORA Index Value for the Singapore Business Day falling *p* Singapore Business Days prior to the Interest Payment Date for the relevant Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period);

SORA Index Value means, for any Singapore Business Day:

I. the value of the index known as the "SORA Index" administered by the Monetary Authority of Singapore (or any successor administrator thereof) published by the Monetary Authority of Singapore (or any successor administrator) on the Monetary Authority of Singapore's website (currently at http://www.mas.gov.sg) or any successor website officially designated by the Monetary Authority of Singapore (or any successor administrator) (or as published by its authorised distributors) at the Specified Time on such Singapore Business Day provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Monetary Authority of Singapore, as the administrator of SORA (or any successor administrator of SORA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SORA Index Value in relation to such Singapore Business Day; and

II. if the index in paragraph I above is not published or displayed by the administrator of SORA or other information service at the Specified Time on the relevant Interest Determination Date, then the Compounded Daily SORA for such Floating Interest Period and each Floating Interest Period thereafter will be "Compounded Daily

SORA" as determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with Condition 4.2(g)(i)(B); and

Specified Time means 11:00 a.m., Singapore time or such other time as is specified in the applicable Final Terms; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Final Terms, or (y) this Condition 4.2(g)(i)(B) applies to such Floating Interest Period pursuant to paragraph II in the definition of "SORA Index Value" in Condition 4.2(g)(i)(A) above, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\text{SORA}_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

d is the number of calendar days in the relevant SORA Observation Period;

d_0 is the number of Singapore Business Days in the relevant SORA Observation Period;

i is a series of whole numbers from 1 to d_0, each representing the relevant Singapore Business Days in chronological order from (and including) the first Singapore Business Day in the relevant SORA Observation Period;

n_i, for any Singapore Business Day "i" in the relevant SORA Observation Period, is the number of calendar days from (and including) such Singapore Business Day "i" to (but excluding) the following Singapore Business Day; and

SORA means, for any Singapore Business Day "i", a reference rate equal to the rate of return of a daily compound interest investment (with the reference rate for the calculation of interest being the Singapore Overnight Rate Average) published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website (currently at http://www.mas.gov.sg) or any successor website officially designated by the Monetary Authority of Singapore (or any successor administrator) (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day "i", provided that if by 5:00 p.m., Singapore time, on the Singapore business day immediately following such Singapore Business Day "i", SORA in respect of such Singapore Business Day "i" has not been published and a Benchmark Event has not occurred, then SORA for that Singapore Business Day "i" will be SORA as published in respect of the first preceding Singapore business day for which SORA was published; and

$SORA_i$ means, in respect of any Singapore Business Day "i" in the relevant SORA Observation Period, the reference rate equal to SORA for that Singapore Business Day; and

(ii) In the event that Compounded Daily SORA for any Floating Interest Period cannot be determined by the Principal Paying Agent or the Calculation Agent, as applicable, in accordance with the foregoing provisions, the Rate of Interest for such Floating Interest Period will (subject, if applicable, to Condition 4.2(g)(iii) below) be:

(A) determined as at the last preceding Interest Determination Date; or

(B) if there is no such preceding Interest Determination Date, the Rate of Interest which would have been applicable for the first scheduled Floating Interest Period had the Covered Bonds been in issue for a period equal in duration to the first scheduled Floating Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin).

(iii) Compounded SORA Fall Back Provisions

(A) *Independent Adviser*

Notwithstanding the provisions above and disregarding the provisions of Condition 4.7 (which shall not apply in respect of the Covered Bonds referencing Compounded Daily SORA), if a SORA Benchmark Event occurs in relation to an Original SORA Reference Rate prior to the relevant Interest Determination Date when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original SORA Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the SORA Benchmark Replacement (in accordance with Condition 4.2(g)(iii)(B) below) and a SORA Adjustment Spread, if any (in accordance with Condition 4.2(g)(iii)(C) below)), and any SORA Benchmark Amendments (in accordance with Condition 4.2(g)(iii)(D) below)) by the relevant Interest Determination Date. An Independent Adviser appointed pursuant to this paragraph as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Bond Trustee, the Principal Paying Agent, the Calculation Agent 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 these provisions or otherwise in connection with the Covered Bonds.

If the Issuer is unable to appoint an Independent Adviser after using its reasonable endeavours, or the Independent Adviser appointed by it fails to determine the SORA Benchmark Replacement prior to the relevant Interest Determination Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine the SORA Benchmark Replacement (in accordance with Condition 4.2(g)(iii)(B) below) and a SORA Adjustment Spread if any (in accordance with Condition 4.2(g)(iii)(C) below) and any SORA Benchmark Amendments (in accordance with Condition 4.2(g)(iii)(D) below).

If the Issuer is unable to determine the SORA Benchmark Replacement prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Floating Interest Period shall be equal to the Rate of Interest last determined in relation to the Covered Bonds in respect of the immediately preceding Floating Interest Period. If there has not been a first Interest Payment Date in a Floating Interest Period, the Rate of Interest shall be the initial fixed Rate of Interest. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Floating Interest Period only and any subsequent Floating Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4.2(g)(iii)(A).

(B) *SORA Benchmark Replacement*

The SORA Benchmark Replacement determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) shall (subject to adjustment as provided in Condition 4.2(g)(iii)(C) below)

subsequently be used in place of the Original SORA Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Covered Bonds (subject to the operation of these provisions).

(C) *SORA Adjustment Spread*

If the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines (a) that a SORA Adjustment Spread is required to be applied to the Benchmark Replacement and (b) the quantum of, or a formula or methodology for determining, such SORA Adjustment Spread, then such SORA Adjustment Spread shall be applied to the SORA Benchmark Replacement.

(D) *SORA Benchmark Amendments*

If the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines (a) that SORA Benchmark Amendments are necessary to ensure the proper operation of such SORA Benchmark Replacement and/or SORA Adjustment Spread and (b) the terms of the SORA Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.2(g)(iii)(E) below, without any requirement for the consent or approval of Covered Bondholders, vary the Bond Trust Deed, the Principal Agency Agreement and/or these Conditions to give effect to such SORA Benchmark Amendments with effect from the date specified in such notice and subject further to any SORA Benchmark Amendments not increasing the obligations or duties, or decreasing the rights or protections, of the Bond Trustee, Principal Paying Agent or the Calculation Agent, as applicable, in these Conditions and/or the Bond Trust Deed and/or the Principal Agency Agreement unless agreed between the Issuer and the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable.

Subject as provided above, the Bond Trustee and/or the Principal Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to these Conditions and/or the Bond Trust Deed and/or the Principal Agency Agreement as may be required in order to give effect to this Condition 4.2(g)(iii)(D). Covered Bondholders' consent shall not be required in connection with effecting the SORA Benchmark Replacement or such other changes, including for the execution of any documents or other steps by, the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable.

In connection with any such variation in accordance with this Condition 4.2(g)(iii)(D), the Issuer shall comply with the rules of any stock exchange on which the Covered Bonds are for the time being listed or admitted to trading.

(E) *Notices, etc*.

Any SORA Benchmark Replacement, SORA Adjustment Spread and the specific terms of any SORA Benchmark Amendments, determined under this Condition 4.2(g)(iii) will be notified promptly by the Issuer to the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of the SORA Benchmark Amendments, if any.

(F) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Conditions 4.2(g)(iii)(A), (B), (C) and (D) above, the Original SORA Reference Rate and the fallback provisions provided for in the provisions for the calculation of Compounded Daily SORA above will continue to apply

unless and until the Principal Paying Agent or the Calculation Agent, as applicable, has been notified of the SORA Benchmark Replacement, and any SORA Adjustment Spread and SORA Benchmark Amendments, in accordance with Condition 4.2(g)(iii)(E) above.

(G) *Definitions*

For the purposes of this Condition 4.2(g)(iii):

Compounded SORA means the compounded average of SORAs for the applicable Corresponding SORA Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with the selected mechanism to determine the interest amount payable prior to the end of each Floating Interest Period) being established by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) in accordance with:

I. the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Nominating Body for determining Compounded SORA; provided that:

II. if, and to the extent that, the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines that Compounded SORA cannot be determined in accordance with sub-paragraph I above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) giving due consideration to any industry-accepted market practice for the relevant Singapore dollar denominated covered bonds at such time.

Notwithstanding the foregoing, Compounded SORA will include a selected mechanism as specified in the applicable Final Terms to determine the interest amount payable prior to the end of each Floating Interest Period;

Corresponding SORA Tenor with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

Fallback Rate (SOR) has the meaning ascribed to it in the ISDA Definitions as amended and supplemented by Supplement number 70, published on 23 October 2020;

Identified SORA means the forward-looking term rate for the applicable Corresponding Tenor based on SORA that has been (a) selected or recommended by the Relevant Nominating Body, or (b) determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) having given due consideration to any industry-accepted market practice for the relevant Singapore dollar denominated covered bonds;

Independent Adviser means an independent financial institution of good repute or an independent adviser with experience or appropriate expertise in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 4.2(g)(iii)(A) above;

Interpolated SORA Benchmark with respect to the Original SORA Reference Rate means the rate determined for the Corresponding SORA Tenor by interpolating on a linear basis between: (a) the Original SORA Reference Rate for the longest period (for which the Original SORA

Reference Rate is available) that is shorter than the Corresponding SORA Tenor and (b) the Original SORA Reference Rate for the shortest period (for which the Original SORA Reference Rate is available) that is longer than the Corresponding SORA Tenor;

ISDA Definitions means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

ISDA SORA Fallback Adjustment means the spread adjustment (which maybe positive or negative or zero) that would apply for derivative transactions referencing the Original SORA Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original SORA Reference Rate for the applicable tenor;

Original SORA Reference Rate means, initially, SORA (being the originally-specified reference rate of applicable tenor used to determine the Rate of Interest) or any component part thereof, provided that if a SORA Benchmark Event has occurred with respect to SORA or the then-current Original SORA Reference Rate, then "Original SORA Reference Rate" means the applicable SORA Benchmark Replacement;

p means the number of Singapore Business Days specified as such in the applicable Final Terms;

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

I. 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

II. any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (3) a group of the aforementioned central banks or other supervisory authorities or (4) the Financial Stability Board or any part thereof;

Singapore Business Day means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

SORA or **Singapore Overnight Rate Average** with respect to any Singapore Business Day means a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website (currently at http://www.mas.gov.sg) or any successor website officially designated by the Monetary Authority of Singapore (or any successor administrator) (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day;

SORA Adjustment Spread means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines is

required to be applied to the SORA Benchmark Replacement as a result of the replacement of the Original SORA Reference Rate with the SORA Benchmark Replacement and is the spread, formula or methodology which:

I. is formally recommended in relation to the replacement of the Original SORA Reference Rate with the applicable SORA Benchmark Replacement by any Relevant Nominating Body; or

II. if the applicable SORA Benchmark Replacement is the SORA ISDA Fallback Rate, is the SORA ISDA Fallback Adjustment; or

III. is determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) to be appropriate having given due consideration to any industry accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original SORA Reference Rate with the applicable SORA Benchmark Replacement for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Covered Bonds and 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 SORA Reference Rate with the applicable SORA Benchmark Replacement;

SORA Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines in accordance with Condition 4.2(g)(iii)(B) above has replaced the Original SORA Reference Rate for the Corresponding SORA Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Covered Bonds (including, but not limited to, Singapore Government Bonds);

SORA Benchmark Amendments means, with respect to any SORA Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Floating Interest Period", timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding SORA Tenor" solely when such tenor is longer than the Floating Interest Period, any other amendments to these Conditions and/or the Bond Trust Deed and/or the Principal Agency Agreement, and other administrative matters) that the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines may be appropriate to reflect the adoption of such SORA Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser or the Issuer (in the circumstances set out Condition 4.2(g)(iii)(A) above) (as the case may be) determines that no market practice for use of such SORA Benchmark Replacement exists, in such other manner as the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) determines is reasonably necessary);

SORA Benchmark Event means:

I. the Original SORA Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist;

II. a public statement by the administrator of the Original SORA Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original SORA Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original SORA Reference Rate);

III. a public statement by the supervisor of the administrator of the Original SORA Reference Rate that the Original SORA Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued;

IV. a public statement by the supervisor of the administrator of the Original SORA Reference Rate that the Original SORA Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences within the following six months;

V. it has become unlawful for the Calculation Agent, any Paying Agents, the Issuer or any other party to calculate any payments due to be made to any Covered Bondholder using the Original SORA Reference Rate; or

VI. a public statement by the supervisor of the administrator of the Original SORA Reference Rate that the Original SORA Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative,

provided that the SORA Benchmark Event shall be deemed to occur (i) in the case of paragraphs II and III above, on the date of the cessation of publication of the Original SORA Reference Rate or the discontinuation of the Original SORA Reference Rate, as the case may be, (ii) in the case of paragraph IV above, on the date of the prohibition or restriction of use of the Original SORA Reference Rate and (iii) in the case of paragraph VI above, on the date with effect from which the Original SORA Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement;

SORA Benchmark Replacement means the Interpolated Benchmark, provided that if the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Interest Determination Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4.2(g)(iii)(A) above) (as the case may be):

I. Identified SORA;

II. Compounded SORA;

III. the SORA Successor Rate;

IV. the SORA ISDA Fallback Rate (including Fallback Rate (SOR)); and

V. the SORA Alternative Rate;

SORA ISDA Fallback Rate means the rate that would apply for derivative transactions referencing the Original SORA Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original SORA Reference Rate for the applicable tenor excluding the applicable ISDA SORA Fallback Adjustment;

SORA Observation Period means, in respect of any Floating Interest Period, the period from (and including) the day falling *p* Singapore Business Days prior to the first day of such Floating Interest Period to (but excluding) the day falling *p* Singapore Business Days prior to the Interest Payment Date for such Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period); and

SORA Successor Rate means a successor to or replacement of the Original SORA Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original SORA Reference Rate for the applicable Corresponding SORA Tenor.

(h) *Floating Rate Covered Bonds referencing Compounded Daily CORRA*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified as being Compounded Daily CORRA in the applicable Final Terms, the Rate of Interest for each Floating Interest Period will, subject as provided below, be Compounded Daily CORRA for such Floating Interest Period plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined and calculated by the Principal Paying Agent or the Calculation Agent, as applicable.

Compounded Daily CORRA means, with respect to a Floating Interest Period:

(A) if Index Determination is specified as being applicable in the applicable Final Terms, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{CORRA\ Compounded\ Index_{\text{End}}}{CORRA\ Compounded\ Index_{\text{Start}}} - 1\right) x \frac{365}{d}$$

where:

CORRA Compounded Index$_{\text{Start}}$ is the CORRA Compounded Index value for the day falling *p* Bank of Canada Business Days prior to first day of the relevant Floating Interest Period;

CORRA Compounded Index$_{\text{End}}$ is the CORRA Compounded Index value for the day falling *p* Bank of Canada Business Days prior to the Interest Payment Date for the relevant Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period); and

d is the number of calendar days in the relevant CORRA Observation Period,

provided that, if (a) the CORRA Compounded Index value required to determine CORRA Compounded Index$_{\text{Start}}$ or CORRA Compounded Index$_{\text{End}}$ is not published or displayed by the CORRA Reference Rate Administrator or an authorised distributor by the Specified Time (or an amended publication time, if any, or such later time falling one hour after the customary or scheduled time for publication of the CORRA Compounded Index value, as specified in the CORRA Reference Rate Administrator's methodology for

calculating the CORRA Compounded Index) on the Interest Determination Date for such Floating Interest Period, but a CORRA Index Cessation Effective Date with respect to the CORRA Compounded Index has not occurred, or (b) an Index Cessation Effective Date with respect to the CORRA Compounded Index has occurred, then Compounded Daily CORRA will be determined in accordance with Condition 4.2(h)(i)(B) below; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Final Terms, or (y) this Condition 4.2(h)(i)(B) applies to such Floating Interest Period pursuant to the proviso in Condition 4.2(h)(i)(A) above, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{CORRA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

d is the number of calendar days in the relevant CORRA Observation Period;

d_o is the number of Bank of Canada Business Days in the relevant CORRA Observation Period;

i is a series of whole numbers from 1 to d_o, each representing the relevant Bank of Canada Business Day in chronological order from, and including, the first Bank of Canada Business Day in the relevant CORRA Observation Period;

n_i, for any Bank of Canada Business Day "i" in the relevant CORRA Observation Period, is the number of calendar days from (and including) such Bank of Canada Business Day "i" up to (but excluding) the following Bank of Canada Business Day ("i+1"); and

CORRA$_i$ means, in respect of any Bank of Canada Business Day "i" falling in the relevant CORRA Observation Period, the CORRA Reference Rate for such Bank of Canada Business Day.

(ii) *Temporary Non-Publication of CORRA*

If neither the CORRA Reference Rate Administrator nor authorised distributors provide or publish CORRA and an Index Cessation Effective Date with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

(iii) *CORRA Index Cessation Event*

If a CORRA Index Cessation Effective Date occurs with respect to CORRA, the Rate of Interest for an Interest Determination Date which occurs on or after such CORRA Index Cessation Effective Date will be the CAD Recommended Rate, to which the CORRA Benchmark Replacement Agent will apply the most recently published spread and make such adjustments as are necessary to account for any difference in the term, structure or tenor of the CAD Recommended Rate in comparison to CORRA.

If there is a CAD Recommended Rate before the end of the first Bank of Canada Business Day following the CORRA Index Cessation Effective Date with respect to CORRA, but neither the CORRA Reference Rate Administrator nor authorised distributors provide or publish the CAD Recommended Rate and a CORRA Index

Cessation Effective Date with respect to the CAD Recommended Rate has not occurred, then, in respect of any day for which the CAD Recommended Rate is required, references to the CAD Recommended Rate will be deemed to be references to the last provided or published CAD Recommended Rate.

If (a) there is no CAD Recommended Rate before the end of the first Bank of Canada Business Day following the CORRA Index Cessation Effective Date with respect to CORRA, or (b) there is a CAD Recommended Rate and a CORRA Index Cessation Effective Date subsequently occurs with respect to the CAD Recommended Rate, the Rate of Interest for an Interest Determination Date which occurs on or after such applicable CORRA Index Cessation Effective Date will be the BOC Target Rate, to which the CORRA Benchmark Replacement Agent will apply the most recently published spread and make such adjustments as are necessary to account for any difference in the term, structure or tenor of the BOC Target Rate in comparison to CORRA.

In respect of any day for which the BOC Target Rate is required, references to the BOC Target Rate will be deemed to be references to the last provided or published BOC Target Rate as of the close of business in Toronto on that day.

In connection with the implementation of an Applicable Rate, the CORRA Benchmark Replacement Agent may, in consultation with the Issuer, make such adjustments to the Applicable Rate or the spread thereon, if any, as well as the Business Day Convention, the calendar day count convention, Interest Determination Dates, and related provisions and definitions (including observation dates for reference rates), in each case as are consistent with accepted market practice for the use of the Applicable Rate for debt obligations such as the Covered Bonds in such circumstances, and the Issuer, the Bond Trustee, the Principal Paying Agent and/or the Calculation Agent, as applicable, shall agree without any requirement for the consent or approval of Covered Bondholders to the necessary modifications to the Bond Trust Deed, the Principal Agency Agreement and/or these Conditions to give effect to such adjustments, subject to the Issuer having to give notice thereof to the Covered Bondholders in accordance with Condition 12 and any such adjustments not increasing the obligations or duties, or decreasing the rights or protections, of the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, in these Conditions, the Bond Trust Deed and/or the Principal Agency Agreement unless agreed between the Issuer and the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable.

Any determination, decision or election that may be made by the Issuer or the CORRA Benchmark Replacement Agent, as applicable, in relation to the Applicable Rate, including any determination with respect to an adjustment or the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding, absent manifest error, (ii) if made by the Issuer, will be made in the sole discretion of the Issuer, or, as applicable, if made by the CORRA Benchmark Replacement Agent will be made after consultation with the Issuer and the CORRA Benchmark Replacement Agent will not make any such determination, decision or election to which the Issuer objects and will have no liability for not making any such determination, decision or election, and (iii) shall become effective without consent from the holders of the Covered Bonds or any other party.

Notwithstanding any other provision of this Condition 4.2(h), if in the Bond Trustee's, Principal Paying Agent's or Calculation Agent's opinion, as applicable, there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 4.2(h), the Bond Trustee, Principal Paying Agent or Calculation Agent, as applicable, shall promptly notify the Issuer thereof and the Issuer shall direct the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, in writing as to which alternative course of action to adopt. If the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, 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 Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(iv) *Definitions*

For the purposes of this Condition 4.2(h)(iv):

Applicable Rate means one of CORRA Compounded Index, CORRA, the CAD Recommended Rate or the BOC Target Rate, as applicable;

Bank of Canada Business Day means a day that Schedule I banks under the Bank Act (Canada) are open for business in Toronto, other than a Saturday or a Sunday or a public holiday in Toronto (or such revised regular publication calendar for an Applicable Rate as may be adopted by the CORRA Reference Rate Administrator from time to time);

BOC Target Rate means the Bank of Canada's Target for the overnight rate as set by the Bank of Canada and published on the Bank of Canada's website;

CAD Recommended Rate means the rate (inclusive of any spreads or adjustments) recommended as the replacement for CORRA by a committee officially endorsed or convened by the Bank of Canada for the purpose of recommending a replacement for CORRA (which rate may be produced by the Bank of Canada or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorized distributor;

CORRA means the Canadian Overnight Repo Rate Average, as published by the Bank of Canada, as the administrator of CORRA (or any successor CORRA Reference Rate Administrator), on the website of the Bank of Canada or any successor website;

CORRA Benchmark Replacement Agent means a third party trustee or financial institution of national standing in Canada with experience providing such services (which may be an affiliate of the Issuer), which has been selected by the Issuer;

CORRA Compounded Index means the measure of the cumulative impact of CORRA compounding over time administered and published by the Bank of Canada (or any successor CORRA Reference Rate Administrator);

CORRA Index Cessation Effective Date means, in respect of a CORRA Index Cessation Event, the first date on which the Applicable Rate is no longer provided. If the Applicable Rate ceases to be provided on the same day that it is required to determine the rate for an Interest Determination Date, but it was provided at the time at which it is to be observed (or, if no such time is specified, at the time at which it is ordinarily published), then the CORRA Index Cessation Effective Date will be the next day on which the rate would ordinarily have been published;

CORRA Index Cessation Event means:

I. a public statement or publication of information by or on behalf of the CORRA Reference Rate Administrator or provider of the Applicable Rate announcing that it has ceased or will cease to provide the Applicable Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor CORRA Reference Rate Administrator or provider of the Applicable Rate that will continue to provide the Applicable Rate; or

II. a public statement or publication of information by the regulatory supervisor for the CORRA Reference Rate Administrator or provider of the Applicable Rate, the Bank of Canada, an insolvency official with jurisdiction over the CORRA Reference Rate Administrator or provider of the Applicable Rate, a

resolution authority with jurisdiction over the CORRA Reference Rate Administrator or provider of the Applicable Rate or a court or an entity with similar insolvency or resolution authority over the CORRA Reference Rate Administrator or provider of the Applicable Rate, which states that the CORRA Reference Rate Administrator or provider of the Applicable Rate has ceased or will cease to provide the Applicable Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor CORRA Reference Rate Administrator or provider of the Applicable Rate that will continue to provide the Applicable Rate;

CORRA Observation Period means, in respect of any Floating Interest Period, the period from, and including, the date falling *p* Bank of Canada Business Days prior to the first day of such Floating Interest Period to (but excluding) the date falling *p* Bank of Canada Business Days prior to the Interest Payment Date for such Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

CORRA Reference Rate means, in respect of any Bank of Canada Business Day, a reference rate equal to the daily CORRA rate for that day, as published or displayed by the Reference Rate Administrator or an authorised distributor at the Specified Time (or an amended publication time, if any, as specified in the Reference Rate Administrator's methodology for calculating CORRA) on the immediately following Bank of Canada Business Day;

CORRA Reference Rate Administrator means the Bank of Canada or any successor administrator for CORRA and/or the CORRA Compounded Index or the administrator (or its successor) of another Applicable Rate, as applicable;

p means the number of Bank of Canada Business Days specified as such in the applicable Final Terms; and

Specified Time means 11:00 a.m. Toronto time, or such other time as is specified in the applicable Final Terms.

(i) *Floating Rate Covered Bonds referencing Compounded Daily TONA*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified as being Compounded Daily TONA in the applicable Final Terms, the Rate of Interest for each Floating Interest Period will, subject as provided below, be Compounded Daily TONA for such Floating Interest Period plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined and calculated by the Principal Paying Agent or the Calculation Agent, as applicable.

Compounded Daily TONA means, with respect to a Floating Interest Period, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

(A) if the TONA Observation Method is specified as being "Lookback" in the applicable Final Terms:

$$\left[\prod_{i=1}^{d_0}\left(\frac{TONA_{-pTBD} \times n_i}{365}\right) - 1\right] \times \frac{365}{d}$$

where:

d is the number of calendar days in the relevant Floating Interest Period;

d_0 is the number of Tokyo Banking Days in the relevant Floating Interest Period;

i is a series of whole numbers from 1 to d_0, each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Floating Interest Period;

n_i, for any Tokyo Banking Day "i" in the relevant Floating Interest Period, is the number of calendar days from (and including) such Tokyo Banking Day "i" up to (but excluding) the following Tokyo Banking Day ("i+1"); and

TONA-p^{TBD} means, in respect of any Tokyo Banking Day "I" falling in the relevant Floating Interest Period, the TONA Reference Rate for the Tokyo Banking Day falling "p" Tokyo Banking Days prior to such Tokyo Banking Day "i"; or

(B) if the TONA Observation method is specified as being "Shift" is specified in the applicable Final Terms:

$$\left[\prod_{i=1}^{d_0}\left(\frac{TONA_i \times n_i}{365}\right) - 1\right] \times \frac{365}{d}$$

where:

d is the number of calendar days in the relevant TONA Observation Period;

d_0 is the number of Tokyo Banking Days in the relevant TONA Observation Period;

i is a series of whole numbers from 1 to d_o, each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant TONA Observation Period;

n_i, for any Tokyo Banking Day "i" in the relevant TONA Observation Period, is the number of calendar days from (and including) such Tokyo Banking Day "i" up to (but excluding) the following Tokyo Banking Day ("i+1"); and

$TONA_i$ means, in respect of any Tokyo Banking Day "i" falling in the relevant TONA Observation Period, the TONA Reference Rate for such Tokyo Banking Day.

(ii) *Correction of TONA*

If the TONA Reference Rate in respect of any Tokyo Banking Day is subsequently corrected and provided by the administrator of TONA to authorised distributors of TONA and published on the Relevant Screen Page no later than the Correction Cutoff Time (if any) or, if later (or there is no such Correction Cut-off Time), one hour after the rate for such Tokyo Banking Day is published on the Relevant Screen Page, then TONA in respect of such Tokyo Banking Day shall be the subsequently corrected and published rate appearing on the Relevant Screen Page,

where:

Correction Cut-off Time means the time specified as such by the administrator of TONA in the TONA benchmark methodology.

(iii) *TONA Index Cessation Event*

If the Issuer determines at any time prior to the TONA Reference Time on any Tokyo Banking Day that a TONA Index Cessation Event has occurred, then the TONA

Reference Rate in respect of each Tokyo Banking Day falling on or after the TONA Index Cessation Effective Date will be the JPY Recommended Rate.

If there is a JPY Recommended Rate before the end of the first Tokyo Banking Day following the TONA Index Cessation Effective Date, but neither the administrator nor authorised distributors provide or publish the JPY Recommended Rate, then, subject to the below, in respect of any day for which the JPY Recommended Rate is required, references to the JPY Recommended Rate will be deemed to be references to the last provided or published JPY Recommended Rate. However, if there is no last provided or published JPY Recommended Rate, then in respect of any day for which the JPY Recommended Rate is required, references to the JPY Recommended Rate will be deemed to be references to the last provided or published TONA.

The Issuer shall notify the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered Bondholders of any determination by the Issuer of a TONA Index Cessation Event and of any applicable JPY Recommended Rate.

If:

I. there is no JPY Recommended Rate before the end of the first Tokyo Banking Day following the TONA Index Cessation Effective Date; or

II. there is a JPY Recommended Rate and a JPY Recommended Rate Index Cessation Effective Date subsequently occurs in respect of such JPY Recommended Rate,

then the rate in respect of each Tokyo Banking Day falling on or after the TONA Index Cessation Effective Date or a JPY Recommended Rate Fixing Day occurring on or after the JPY Recommended Rate Index Cessation Effective Date, as the case may be, will be such alternative rate for the TONA Reference Rate or the JPY Recommended Rate, as the case may be, as is determined by the Issuer in accordance with Condition 4.7.

(iv) *Definitions*

For the purposes of this Condition 4.2(i):

JPY Recommended Rate means, in respect of any Tokyo Banking Day, the rate (inclusive of any spreads or adjustments) recommended as the replacement for TONA by a committee officially endorsed or convened by the Bank of Japan for the purpose of recommending a replacement for TONA (which rate may be produced by the Bank of Japan or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor in respect of such day;

JPY Recommended Rate Fixing Day means, in respect of the JPY Recommended Rate and any day, the publication day specified by the administrator of the JPY Recommended Rate for the JPY Recommended Rate in its benchmark methodology;

JPY Recommended Rate Index Cessation Effective Date means, in respect of the JPY Recommended Rate and a JPY Recommended Rate Index Cessation Event, the first date on which the JPY Recommended Rate would ordinarily have been published or provided and is no longer published or provided;

JPY Recommended Rate Index Cessation Event means, in respect of the JPY Recommended Rate:

I. a public statement or publication of information by or on behalf of the administrator of the JPY Recommended Rate announcing that it has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is

no successor administrator that will continue to provide the JPY Recommended Rate; or

II. a public statement or publication of information by the regulatory supervisor for the administrator of the JPY Recommended Rate, the central bank for the currency of the JPY Recommended Rate, an insolvency official with jurisdiction over the administrator of the JPY Recommended Rate, a resolution authority with jurisdiction over the administrator of the JPY Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the JPY Recommended Rate, which states that the administrator of the JPY Recommended Rate has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the JPY Recommended Rate;

p means the number of Tokyo Banking Days specified as such in the applicable Final Terms;

TONA means the daily Tokyo Overnight Average rate administered by the Bank of Japan (or any successor administrator);

TONA Index Cessation Effective Date means, in respect of TONA and a TONA Index Cessation Event, the first date on which TONA would ordinarily have been published or provided and is no longer published or provided;

TONA Index Cessation Event means, in respect of TONA:

I. a public statement or publication of information by or on behalf of the administrator of TONA announcing that it has ceased or will cease to provide TONA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide TONA; or

II. a public statement or publication of information by or on behalf of the regulatory supervisor for the administrator of TONA, the central bank for the currency of TONA, an insolvency official with jurisdiction over the administrator of TONA, a resolution authority with jurisdiction over the administrator of TONA or a court or an entity with similar insolvency or resolution authority over the administrator of TONA, which states that the administrator of TONA has ceased or will cease to provide TONA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide TONA;

TONA Observation Period means, in respect of any Floating Interest Period, the period from (and including) the date falling *p* Tokyo Banking Days prior to the first day of such Floating Interest Period to (but excluding) the date falling p Tokyo Banking Days prior to the Interest Payment Date for such Floating Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Floating Interest Period);

TONA Reference Rate means the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, in respect of a Tokyo Banking Day, being a reference rate equal to the daily TONA for such Tokyo Banking Day as provided by the administrator of TONA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) in each case as of approximately 10:00 a.m. (Tokyo time) (or any amended publication time as specified by the administrator of such rate) on the Tokyo Banking Day immediately following such Tokyo Banking

Day. If no such rate is published by the administrator of TONA or an authorised distributor and is not otherwise provided by the administrator of TONA other than as a consequence of a TONA Index Cessation Event, then TONA for such Tokyo Banking Day will be TONA as last provided or published on the Relevant Screen Page (or as otherwise published by relevant authorised distributors) that appears at approximately 10:00 a.m. (Tokyo time) on the Bank of Japan's Website on the Tokyo Banking Day immediately following such Tokyo Banking Day;

TONA Reference Time means, with respect to any determination of TONA, 10.00 a.m. (Tokyo time) on the Tokyo Banking Day immediately following the date of such determination; and

Tokyo Banking Day means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Tokyo.

(j) *Floating Rate Covered Bonds referencing €STR*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified as being €STR in the applicable Final Terms, the Rate of Interest for an Interest Period (as defined below) will, be calculated in accordance with Conditions 4.2(j)(i)(A), 4.2(j)(i)(B) and 4.2(j)(i)(C) below, subject as provided below, as applicable:

(A) Where the €STR Calculation Method is specified in the applicable Final Terms as being "€STR Compounded Daily", the Rate of Interest for each Floating Interest Period will be the Compounded Daily €STR with respect to such Floating Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the relevant Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

(B) Where the €STR Calculation Method is specified in the applicable Final Terms as being "€STR Index Compounded Daily", the Rate of Interest for each Floating Interest Period will be the Compounded Daily €STR Index with respect to such Floating Interest Period plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the relevant Principal Paying Agent or the Calculation Agent, as applicable on the relevant Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

(C) Where the €STR Calculation Method is specified in the applicable Final Terms as being "€STR Weighted Average", the Rate of Interest for each Floating Interest Period will be the Weighted Average €STR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the relevant Principal Paying Agent or the Calculation Agent, as applicable on the relevant Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

In this Condition 4.2(j):

Compounded Daily €STR means with respect to a Floating Interest Period, the rate of return of a daily compound interest investment in euro (with the daily euro short-term rate (**€STR)**) as reference rate for the calculation of interest) and will be calculated as follows:

(1) if "Lag" or "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms in accordance with the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{€STR_{i-pTBD}\ \times\ n_i}{360}\right)-1\right]\times\frac{360}{d}$$

(2) if "Shift" is specified as the €STR Observation Method in the applicable Final Terms, in accordance with the following formula:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{€STR_i\ \times\ n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where, in each case:

d is the number of calendar days in (A) if "Lag" or "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms, the relevant Floating Interest Period, or (B) if "Shift" is specified as the €STR Observation Method in the applicable Final Terms, the relevant €STR Observation Period;

d_0 means (A) if "Lag" or "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms, in respect of a Floating Interest Period, the number of T2 Business Days in the relevant Interest Period, or (B) if "Shift" is specified as the €STR Observation Method in the applicable Final Terms, in respect of an €STR Observation Period, the number of T2 Business Days in the relevant €STR Observation Period;

n_i, for any T2 Business Day_i, means the number of calendar days from and including such T2 Business Day_i up to but excluding the following T2 Business Day;

€STR$_i$ means, in respect of any T2 Business Day_i:

(1) if "Lag" is specified as the €STR Observation Method in the applicable Final Terms, the €STR reference rate in respect of p^{TBD} in respect of such T2 Business Day_i; or

(2) if "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms:

(x) in respect of any T2 Business Day_i that is a Reference Day, the €STR reference rate in respect of the T2 Business Day immediately preceding such Reference Day; otherwise

(y) the €STR reference rate in respect of the T2 Business Day immediately preceding the Interest Determination Date for the relevant Interest Period;

(3) if "Shift" is specified as the €STR Observation Method in the applicable Final Terms, the €STR reference rate for such T2 Business Day_i;

€STRi-p^{TBD} means:

(1) if "Lag" is specified as the €STR Observation Method in the applicable Final Terms, in respect of a T2 Business Dayi, €STRi in respect of the T2 Business Day falling p T2 Business Days prior to such T2 Business Dayi (pLBD); or

(2) if "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms, in respect of a T2 Businessi, €STRi in respect of such T2 Businessi;

i is a series of whole numbers from 1 to d_0, each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day (I) if "Lag" or "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms, in the relevant Interest Period or (II) if "Shift" is specified as the €STR Observation Method in the applicable Final Terms, in the relevant €STR Observation Period;

Compounded Daily €STR Index means with respect to a Floating Interest Period, the rate of return of a daily compound interest investment in euro (with the euro short-term rate (**€STR**) as a reference rate for the calculation of interest) by reference to the screen rate or index for compounded daily €STR rates administered by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) that is published or displayed on the website of the European Central Bank (or any successor administrator of such rate) or any successor source from time to time on the relevant Interest Determination Date, as further specified in the applicable Final Terms (the **€STR Compounded Index**) and will be determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date and calculated as follows:

$$\left(\frac{€STR\ Compounded\ Index_{End}}{€STR\ Compounded\ Index_{Start}} - 1\right) \times \frac{360}{d}$$

where, in each case:

€STR Compounded Index$_{Start}$ means, with respect to a Floating Interest Period, the €STR Compounded Index value on the day falling "p" T2 Business Days prior to the first day of such Floating Interest Period;

€STR Compounded Index$_{End}$ means with respect to a Floating Interest Period, the €STR Compounded Index value on the day falling "p" T2 Business Days prior to the Interest Period End Date for such Floating Interest Period (or the date falling "p" T2 Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

d is the number of calendar days from (and including) the day in relation to which €STR Compounded IndexStart is determined to (but excluding) the day in relation to which €STR Compounded IndexEnd is determined; and

p means the number of T2 Business Days as specified in the applicable Final Terms;

the **€STR reference rate**, means, in respect of any T2 Business Day, a reference rate equal to €STR as provided by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) on the website of the European Central Bank (or any successor administrator of such rate) or any successor source, in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the administrator of such rate on the T2 Business Day immediately following such T2 Business Day;

Interest Period End Date shall have the meaning specified in the applicable Final Terms;

Lock-out Period means, in respect of an Interest Period, the period from and including the day following the Interest Determination Date to, but excluding, the Interest Period End Date falling at the end of such Interest Period;

€STR Observation Period means the period from and including the date falling "p" T2 Business Days prior to the first day of the relevant Interest Period (and the first

Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling "p" T2 Business Days prior to the Interest Period End Date for such Interest Period (or the date falling "p" T2 Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

p means, in respect of an Interest Period (A) where "Lag" or "Shift" is specified as the €STR Observation Method in the applicable Final Terms, the number of T2 Business Days as specified in the applicable Final Terms and (B) where "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms, zero;

Reference Day means each T2 Business Day in the relevant Interest Period that is not a T2 Business Day falling in the Lock-out Period;

T2 means the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system; and

T2 Business Day or **TBD** means any day on which T2 is open;

Weighted Average €STR means:

(1) where "Lag" is specified as the €STR Observation Method in the applicable Final Terms, the sum of the €STR reference rate in respect of each calendar day during the relevant €STR Observation Period divided by the number of calendar days during such €STR Observation Period. For these purposes, the €STR reference rate in respect of any calendar day which is not a T2 Business Day shall be deemed to be the €STR reference rate in respect of the T2 Business immediately preceding such calendar day; or

(2) where "Lock-out" is specified as the €STR Observation Method in the applicable Final Terms, the sum of the €STR reference rate in respect of each calendar day during the relevant Floating Interest Period divided by the number of calendar days in the relevant Floating Interest Period, provided that, for any calendar day of such Floating Interest Period falling in the Lock-out Period for the relevant Floating Interest Period, the €STR reference rate for such calendar day will be deemed to be the €STR reference rate in respect of the T2 Business Day immediately preceding the first day of such Lock-out Period. For these purposes, the €STR reference rate in respect of any calendar day which is not a T2 Business Day shall, subject to the preceding proviso, be deemed to be the €STR reference rate in respect of the T2 Business Day immediately preceding such calendar day.

(ii) Where the Rate of Interest for each Interest Period is calculated in accordance with Condition 4.2(j)(i)(B), if the relevant €STR Compounded Index is not published or displayed by the European Central Bank (or any successor administrator of such rate) reference rate or other information service by 5pm (Frankfurt time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the European Central Bank (or any successor administrator of €STR) on the relevant Interest Determination Date, the Rate of Interest shall be calculated for the Floating Interest Period for which the €STR Compounded Index is not available in accordance with Condition 4.2(j)(i)(A) and for these purposes the "€STR Observation Method" shall be deemed to be "Shift".

(iii) Where "€STR" is specified as the relevant Reference Rate in the applicable Final Terms, if, in respect of any T2 Business Day, €STR is not available, such Reference Rate shall be the €STR reference rate for the first preceding T2 Business Day on which the €STR reference rate was published by the European Central Bank, as the administrator of the €STR reference rate (or any successor administrator of the €STR

reference rate) on the website of the European Central Bank (or of any successor administrator of such rate), and "p" shall be interpreted accordingly.

If the relevant Series of Covered Bonds become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Covered Bonds became due and payable and the Rate of Interest on such Covered Bonds shall, for so long as any such Covered Bonds remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Floating Interest Period had been shortened accordingly.

(k) *Floating Rate Covered Bonds referencing BBSW Rate*

(1) BBSW Rate Determination

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified as being the **BBSW Rate** in the applicable Final Terms, the Rate of Interest for an Interest Period will, subject as provided in Condition 4.2(k)(2) below, be calculated in accordance with this Condition 4.2(k) plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined and calculated by the Principal Paying Agent or the Calculation Agent, as applicable.

(ii) The determination of, substitution for and any adjustments made to the BBSW Rate as described in this Condition 4.2(k)(1) and in Condition 4.2(k)(2) below shall be binding on all Covered Bondholders and Couponholders (in all cases without any requirement for the consent or approval of Covered Bondholders or Couponholders). Any determination, decision or election (including a decision to take or refrain from taking any action or as to the occurrence or non-occurrence of any event or circumstance), and any substitution for and adjustments made to the BBSW Rate, and, in each case, made in accordance with this Condition 4.2(k)(1) and Condition 4.2(k)(2), will, in the absence of manifest or proven error, be conclusive and binding on the Issuer, the Bond Trustee, all Covered Bondholders and Couponholders, the Principal Paying Agent, the Calculation Agent and each other Agent and, notwithstanding anything to the contrary in these Conditions or other documentation relating to the Floating Rate Covered Bonds, shall become effective without the consent of any person.

(iii) If the Principal Paying Agent or the Calculation Agent is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Rate of Interest, 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 Independent Adviser (acting in good faith and in a commercially reasonable manner) appointed by the Issuer (in its sole discretion) to so determine.

(iv) All rates determined pursuant to this Condition 4.2(k) shall be expressed as a percentage rate per annum and the resulting percentage will be rounded if necessary to the fourth decimal place (i.e., to the nearest one ten-thousandth of a percentage point) with 0.00005 being rounded upwards.

(2) BBSW Rate Fallback

(i) If:

(x) a Temporary Disruption Trigger has occurred; or

(y) a Permanent Discontinuation Trigger has occurred,

then the BBSW Rate for the relevant Floating Interest Period, whilst such Temporary Disruption Trigger is continuing or after a Permanent Discontinuation Trigger has occurred, means (in the following order of application and precedence):

(A) if a Temporary Disruption Trigger has occurred with respect to the BBSW Rate, in the following order of precedence:

I. first, the Administrator Recommended Rate;

II. then the Supervisor Recommended Rate; and

III. lastly, the Final Fallback Rate;

(B) where a determination of the AONIA Rate is required for the purposes of paragraph (A) above, if a Temporary Disruption Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required will be the last provided or published level of AONIA;

(C) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (A) or (B) above, if a Temporary Disruption Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required will be the last rate provided or published by the Administrator of the RBA Recommended Rate (or if no such rate has been so provided or published, the last provided or published level of AONIA);

(D) if a Permanent Discontinuation Trigger has occurred with respect to the original BBSW Rate, the BBSW Rate for any day on which the BBSW Rate is required to be determined on or after the Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

I. first, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;

II. then, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred and an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and

III. lastly, if neither paragraph I nor paragraph II of the above applies, the Final Fallback Rate;

(E) where a determination of the AONIA Rate is required for the purposes of paragraph (D)I 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:

I. 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

II. lastly, if paragraph I above does not apply, the Final Fallback Rate; and

(F) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (D) or (E) 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 a Rate of Interest in circumstances where a Fallback Rate other than the Final Fallback Rate applies, that Rate of Interest will be calculated as if references to the BBSW Rate or AONIA Rate (as applicable) were references to that Fallback Rate. When calculating a Rate of Interest in circumstances where the Final Fallback Rate applies, the Rate of Interest will be calculated on the same basis as if the Applicable Reference 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 Reference Rate with corresponding references to the Final Fallback Rate (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(3) BBSW Rate Amendments

(i) If, at any time, a Permanent Discontinuation Trigger occurs with respect to the Applicable Reference Rate that applies to the Covered Bonds at that time (such event, a **BBSW Rate Event**), and the Issuer, acting in good faith, in a commercially reasonable manner and by reference to such sources as it deems appropriate, determines in its discretion that amendments to these Conditions and/or any Programme Document are necessary to give effect to the application of the applicable Fallback Rate as contemplated by Condition 4.2(k)(2) (such amendments, the **BBSW Rate Amendments**), then the Issuer shall, subject to the following paragraphs of this Condition 4.2(k)(3) and subject to the Issuer having to give notice thereof to the Covered Bondholders in accordance with Condition 12, and to the Covered Bond Guarantor, the Bond Trustee, the Principal Paying Agent and/or the Calculation Agent (as applicable) in accordance with this Condition 4.2(k)(3), without any requirement for the consent or approval of the Covered Bondholders, make the necessary modifications to these Conditions and/or Programme Documents to give effect to such BBSW Rate Amendments. At the request of the Issuer, but subject to receipt by the Bond Trustee of the certificate referred to in Condition 4.2(k)(3)(v), and subject as provided below, the Bond Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders and without liability to the Covered Bondholders or any other person, be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer in effecting any BBSW Rate Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Bond Trust Deed or any other Programme Document) with effect from the date specified in such notice.

(ii) In connection with any such modifications in accordance with this Condition 4.2(k)(3), if and for so long as the Covered Bonds are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

(iii) Notwithstanding any other provision of these Conditions or the Programme Documents, the Bond Trustee shall not be obliged to concur with the Issuer and the Covered Bond Guarantor, and/or (in the case of the Bond Trustee) direct the Security Trustee to concur with the Issuer and the Covered Bond Guarantor in respect of any BBSW Rate Amendments which, in the sole opinion of the Bond Trustee, would have the effect of (i) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Bond Trustee in the Bond Trust Deed and/or these Conditions.

(iv) Any BBSW Rate Amendments determined under this Condition 4.2(k)(3) shall be notified promptly (in any case, not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Covered Bond Guarantor, the Bond Trustee, the Principal Paying Agent, the Calculation Agent and, in accordance with Condition 12, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of such BBSW Rate Amendments.

(v) No later than notifying the Bond Trustee of the same in accordance with Condition 4.2(k)(3)(iv), the Issuer shall deliver to the Bond Trustee a certificate (on which the Bond Trustee shall be entitled to rely without further enquiry or liability) signed by one Authorised Signatory of the Issuer:

(A) confirming (x) that a BBSW Rate Event has occurred and (y) the specific terms of any BBSW Rate Amendments as determined in accordance with the provisions of this Condition 4.2(k)(3); and

(B) certifying that the BBSW Rate Amendments (in accordance with the provisions of this Condition 4.2(k)(3)) are necessary to give effect to the application of the applicable Fallback Rate as contemplated by Condition 4.2(k)(2).

(4) *Definitions*

For the purposes of this Condition 4.2(k):

Adjustment Spread means the adjustment spread as at the Adjustment Spread Fixing Date (which may be a positive or negative value or zero and determined pursuant to a formula or methodology) that is:

(A) determined as the median of the historical differences between the BBSW Rate and AONIA over a five calendar year period prior to the Adjustment Spread Fixing Date using practices based on those used for the determination of the Bloomberg Adjustment Spread as at the Issue Date for a particular Series of Covered Bonds, provided that for so long as the Bloomberg Adjustment Spread is published and determined based on the five year median of the historical differences between the BBSW Rate and AONIA, that adjustment spread will be deemed to be acceptable for the purposes of this paragraph (A); or

(B) if no such median can be determined in accordance with paragraph (A), set using the method for calculating or determining such adjustment spread determined by the Principal Paying Agent or Calculation Agent, as applicable, and after consultation with the Issuer where practicable, to be appropriate;

Adjustment Spread Fixing Date means the first date on which a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate;

Administrator means:

(A) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417);

(B) in respect of AONIA (or where AONIA is used to determine an Applicable Reference Rate), the Reserve Bank of Australia; and

(C) in respect of any other Applicable Reference 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 Rate means, for a Floating Interest Period and in respect of an Interest Determination Date, the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable,

to be Compounded Daily AONIA for that Floating Interest Period and Interest Determination Date plus the Adjustment Spread (if any);

Applicable Reference Rate means the BBSW Rate or, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate, then the rate determined in accordance with Condition 4.2(k)(2);

BBSW Rate means, for an Floating Interest Period, the rate for prime bank eligible securities having a tenor closest to the Floating Interest Period which is designated as the "AVG MID" on the 'Refinitiv Screen ASX29 Page' or the "MID" 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 Floating Interest Period;

Bloomberg Adjustment Spread means the term adjusted AONIA spread relating to the BBSW Rate provided by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time as the provider of term adjusted AONIA and the spread) (**BISL**) on the Fallback Rate (AONIA) Screen (or by other means), or provided to, and published by, authorised distributors where **Fallback Rate (AONIA) Screen** means the Bloomberg Screen corresponding to the Bloomberg ticker for the fallback for the BBSW Rate accessed via the Bloomberg Screen <FBAK> <GO> Page (or, if applicable, accessed via the Bloomberg Screen <HP> <GO>) or any other published source designated by BISL;

Compounded Daily AONIA means, with respect to an Floating Interest Period, the rate of return of a daily compound interest investment as calculated by the Principal Paying Agent or the Calculation Agent, as applicable, on the 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:

> $\boldsymbol{AONIA_{i-5SBD}}$ " means the per annum rate expressed as a decimal which is the level of AONIA provided by the Administrator and published as of the Publication Time for the Sydney Business Day falling five Sydney Business Days prior to such Sydney Business Day "i";
>
> $\boldsymbol{d}$ is the number of calendar days in the relevant Floating Interest Period;
>
> $\boldsymbol{d_0}$ is the number of Sydney Business Days in the relevant Floating Interest Period;
>
> $\boldsymbol{i}$ 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 Floating Interest Period to (and including) the last Sydney Business Day in such Floating Interest Period;
>
> $\boldsymbol{n_i}$ for any Sydney Business Day "i", means the number of calendar days from (and including) such Sydney Business Day "i" up to (but excluding) the following Sydney Business Day; and
>
> **Sydney Business Day** means any day on which commercial banks are open for general business in Sydney;

If, for any reason, Compounded Daily AONIA needs to be determined for a period other than an Floating Interest Period, Compounded Daily AONIA is to be determined as if that period were an Floating 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 Reference Rate has occurred, the rate that applies to replace that Applicable Reference Rate in accordance with this Condition 4.2(k)(2);

Final Fallback Rate means, in respect of an Applicable Reference Rate, the rate:

(A) determined by the Principal Paying Agent or the Calculation Agent, as applicable, as a commercially reasonable alternative for the Applicable Reference 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 Reference Rate will be deemed to be acceptable for the purposes of this paragraph (A), together with (without double counting) such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for Applicable Reference Rate-linked Floating Rate Covered Bonds at such time (together with such other adjustments to the Business Day Convention, interest determination dates and related provisions and definitions, in each case that are consistent with accepted market practice for the use of such successor rate or alternative rate for Applicable Reference Rate-linked Floating Ratee 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 Principal Paying Agent or the Calculation Agent, as applicable (in consultation with the Issuer) to be appropriate; provided that

(B) if and for so long as no such successor rate or alternative rate can be determined in accordance with paragraph (A), the Final Fallback Rate will be the last provided or published level of that Applicable Reference Rate;

Independent Adviser means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

Interest Determination Date means:

(A) in respect of a Floating Interest Period for which the Rate of Interest is to be determined by reference to the BBSW Rate or to which the Final Fallback Rate applies under Condition 4.2(k)(2), the first Sydney Business Day of the relevant Floating Interest Period (or such other date as is specified as the applicable Interest Determination Date for such Floating Interest Period in the applicable Final Terms); and

(B) in respect of a Floating Interest Period for which the Rate of Interest is to be determined by reference to AONIA or another Fallback Rate, the day falling four Sydney Business Days prior to the last day of the relevant Floating Interest Period (or such other date as is specified as the applicable Interest Determination Date for such Floating Interest Period in the applicable Final Terms),

subject in each case to adjustment in accordance with the applicable Business Day Convention;

Non-Representative means, in respect of an Applicable Reference Rate, that the Supervisor of that Applicable Reference Rate (if the Applicable Reference Rate is the BBSW Rate) or the Administrator of the Applicable Reference Rate (if the Applicable Reference Rate is the AONIA Rate or the RBA Recommended Rate):

(A) has determined that such Applicable Reference 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 Reference 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 Reference Rate:

(A) a public statement or publication of information by or on behalf of the Administrator of the Applicable Reference Rate announcing that it has ceased or that it will cease to provide the Applicable Reference 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 Reference 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 Reference 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 Reference Rate or a court or an entity with similar insolvency or resolution authority over the Administrator of the Applicable Reference Rate which states that the Administrator of the Applicable Reference Rate has ceased or will cease to provide the Applicable Reference 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 Reference 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 Reference Rate if the Applicable Reference Rate is the BBSW Rate, or the Administrator of the Applicable Reference Rate if the Applicable Reference Rate is the AONIA Rate or the RBA Recommended Rate, as a consequence of which the Applicable Reference Rate will be prohibited from being used either generally, or in respect of the Covered Bonds, or that its use will be subject to restrictions or adverse consequences to the Issuer or a Covered Bondholder or Couponholder;

(D) as a consequence of a change in law or directive arising after the Issue Date of the first Tranche of the Covered Bonds of the relevant Series, it has become unlawful for the Principal Paying Agent, the Calculation Agent, the Issuer or any other party responsible for calculations of interest, as applicable, under the Conditions to calculate any payments due to be made to any Covered Bondholder using the Applicable Reference Rate;

(E) a public statement or publication of information by the Supervisor of the Applicable Reference Rate if the Applicable Reference Rate is the BBSW Rate, or the Administrator of the Applicable Reference Rate if the Applicable Reference Rate is the AONIA Rate or the RBA Recommended Rate, stating that the Applicable Reference Rate is Non-Representative; or

(F) the Applicable Reference 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 Reference Rate:

(A) in the case of paragraphs (A) and (B) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Reference 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 Reference 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 Reference 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 Reference 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, 10:30 am (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, 9:30 am (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 means, for a Floating Interest Period and in respect of an Interest Determination Date, the rate determined by the Principal Paying Agent or the Calculation Agent, a applicable, to be the RBA Recommended Rate for that Interest Period and Interest Determination Date;

RBA Recommended Rate means, in respect of any relevant day (including any day "*i*"), the rate (inclusive of any spreads or adjustments) recommended as the replacement for AONIA by the Reserve Bank of Australia (which rate may be produced by the Reserve Bank of Australia or another administrator) and as provided by the Administrator of that rate or, if that rate is not provided by the Administrator thereof, published by an authorised distributor in respect of that day;

Supervisor means, in respect of an Applicable Reference Rate, the supervisor or competent authority that is responsible for supervising that Applicable Reference Rate or the Administrator of that Applicable Reference Rate, or any committee officially endorsed or convened by any such supervisor or competent authority that is responsible for supervising that Applicable Reference Rate or the Administrator of that Applicable Reference Rate;

Supervisor Recommended Rate means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Supervisor of the BBSW Rate; and

Temporary Disruption Trigger means, in respect of any Applicable Reference Rate which is required for any determination:

(A) the Applicable Reference 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 Reference Rate is required; or

(B) the Applicable Reference Rate is published or provided but the Principal Paying Agent or the Calculation Agent, as applicable, determines that there is an obvious or proven error in that rate.

(l) *Floating Rate Covered Bonds referencing BKBM*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified as being BKBM in the applicable Final Terms, the Rate of Interest for each Floating Interest Period will, subject as provided below, be the Bank Bill Benchmark Rate (FRA) (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) administered by the New Zealand Financial Benchmark Facility (**NZFBF**) (or any other person that takes over the administration of that rate), having a tenor closest to the relevant Floating Interest Period (the **BKBM Rate**), as set forth on the display page designated on the BKBM Page at or about the

BKBM Publication Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

(ii) If the BKBM Page is not available, or if the BKBM Rate does not appear on the BKBM Page by 11.00 a.m. in the Relevant Financial Centre (or such other time that is 15 minutes after the then-prevailing BKBM Publication Time in the Relevant Financial Centre), then (unless the Principal Paying Agent or the Calculation Agent, as applicable, has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to Condition 4.7 below, if applicable) the Rate of Interest shall be the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate) (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) at or around 11.00 a.m. in the Relevant Financial Centre (or such other time that is 15 minutes after the then-prevailing BKBM Publication Time in the Relevant Financial Centre) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any) as determined by the Issuer. Any such Rate of Interest shall be notified to the Principal Paying Agent or the Calculation Agent, as applicable, by the Issuer as soon as practicable after its determination.

(iii) If the Issuer does not notify the Principal Paying Agent or the Calculation Agent, as applicable, of the Rate of Interest in accordance with the preceding paragraph, the Rate of Interest shall be that determined by the Principal Paying Agent or the Calculation Agent, as applicable, as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Floating Interest Period from that which applied to the last preceding Floating Interest Period, the Margin relating to the relevant Floating Interest Period in place of the Margin relating to that last preceding Floating Interest Period).

(iv) *Definitions*

For the purposes of this Condition 4.2(l):

BKBM Page means Bloomberg BKBM Page "GDCO 2805 1", or such other page as may replace such page for the purpose of displaying the BKBM;

BKBM Publication Time means 10.45 a.m. (or such other time at which the BKBM Rate customarily appears on the BKBM Page);

Interest Determination Date means the date specified as such in the applicable Final Terms or if none is so specified, the first day of each Floating Interest Period; and

Relevant Financial Centre means Auckland and Wellington.

(m) *Floating Rate Covered Bonds referencing SARON Compounded*

(i) Where the **Reference Rate** for the manner in which the Rate of Interest is to be determined is specified as being SARON Compounded in the applicable Final Terms, the Rate of Interest for each Floating Interest Period will, subject as provided below, be SARON Compounded for such Floating Interest Period plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

SARON Compounded means, with respect to a Floating Interest Period, subject to Condition 4.2(m)(iii) and Condition 4.2(m)(v), the rate determined by the Principal Paying Agent or the Calculation Agent, as applicable, on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_b}(1+\frac{SARON_i \; x \; n_i}{360})-1\right] x \frac{360}{d_c}$$

where:

d_b means the number of Zurich Banking Days in the relevant SARON Observation Period;

d_c means the number of days in the relevant SARON Observation Period;

i indexes a series of whole numbers from 1 to d_b, each representing the relevant Zurich Banking Days in the relevant SARON Observation Period in chronological order from (and including) the first Zurich Banking Day in such SARON Observation Period;

n_i means, in respect of any Zurich Banking Day *i*, the number of calendar days from (and including) such Zurich Banking Day *i* to (but excluding) the first following Zurich Banking Day; and

SARON$_i$ means, in respect of any Zurich Banking Day *i* in the relevant SARON Observation Period, SARON in respect of such Zurich Banking Day *i*.

(ii) *Definitions*

As used in this Condition 4.2(m):

Recommended Adjustment Spread means, with respect to any Recommended Replacement Rate, the spread (which may be positive, negative or zero), or formula or methodology for calculating such a spread,

(A) that the Recommending Body has recommended be applied to such Recommended Replacement Rate in the case of fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon; or

(B) or methodology as described in sub-paragraph (A) above, to be applied to such Recommended Replacement 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 such Recommended Replacement Rate for purposes of determining SARON, which spread will be determined by the Principal Paying Agent or the Calculation Agent, as applicable, acting in good faith and a commercially reasonable manner, and be consistent with industry-accepted practices for fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon;

Recommended 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 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 Banking Day,

(A) the Swiss Average Rate Overnight for such Zurich Banking Day published by the SARON Administrator on the SARON Administrator Website at the Specified Time on such Zurich Banking Day; or

(B) if such rate is not so published on the SARON Administrator Website at the Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have not both occurred at or prior to the Specified Time on such Zurich Banking Day, the Swiss Average Rate Overnight published by the SARON Administrator on the SARON Administrator Website for the last preceding Zurich Banking Day on which the Swiss Average Rate Overnight was published by the SARON Administrator on the SARON Administrator Website; or

(C) if such rate is not so published on the SARON Administrator Website at the Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have both occurred at or prior to the Specified Time on such Zurich Banking Day,

I. if there is a Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the Recommended Replacement Rate for such Zurich Banking Day, giving effect to the Recommended Adjustment Spread, if any, published on such Zurich Banking Day; or

II. if there is no Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the policy rate of the Swiss National Bank (the **SNB Policy Rate**) for such Zurich Banking Day, giving effect to the SNB Adjustment Spread, if any.

Notwithstanding the above, if the SNB Policy Rate for any Zurich Banking Day with respect to which SARON is to be determined pursuant to sub-paragraph (C)(II) above has not been published on such Zurich Banking Day, then in respect of such Zurich Banking Day (the **Affected Zurich Banking Day**) and each Zurich Banking Day thereafter, SARON will be replaced by the Replacement Rate, if any, determined in accordance with Condition 4.2(m)(v) for purposes of determining the Rate of Interest;

SARON Administrator means SIX Index AG (including any successor thereto) or any successor administrator of the Swiss Average Rate Overnight;

SARON Administrator Website means the website of the SIX Group, or any successor website or other source on which the Swiss Average Rate Overnight is published by or on behalf of the SARON Administrator;

SARON Index Cessation Effective Date means the earliest of:

(A) in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (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-paragraph (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-paragraph (B)(y) of the definition thereof has occurred on or prior to either or both dates specified in sub-paragraphs (I) and (II) of this sub-paragraph (B), the date as of which the Swiss Average Rate 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-paragraph (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives;

SARON Observation Period means, in respect of a Floating Interest Period, the period from (and including) the day falling five Zurich Banking Days prior to the first day of such Floating Interest Period and ending on (but excluding) the day falling five Zurich Banking Days prior to the last day of such Floating Interest Period or such other date on which the relevant payment of interest falls due (but which last day is by definition excluded from such Floating Interest Period);

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 purposes of determining SARON, which spread will be determined by the Principal Paying Agent or the Calculation Agent, as applicable, acting in good faith and 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);

Specified Time means, in respect of any Zurich Banking Day, close of trading on the trading platform of SIX Repo AG (or any successor thereto) on such Zurich Banking Day, which is expected to be on or around 6.00 p.m. (Zurich time); and

Zurich Banking Day means a day on which banks are open in the City of Zurich for the settlement of payments and of foreign exchange transactions.

(iii) If the Principal Paying Agent or the Calculation Agent, as applicable (A) is required to use a Recommended Replacement Rate or the SNB Policy Rate pursuant to sub-paragraph (C)(I) or (C)(II) of the definition of SARON for purposes of determining SARON for any Zurich Banking Day, and (B) determines that (x) any changes to the

definitions of Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Floating Interest Period, SARON Observation Period, SARON, SARON Administrator, SARON Administrator Website, Specified Time or Zurich Banking Day, and/or (y) any other technical changes to any other provision in this Condition 4.2(m) are necessary in order to use such Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may be, for such purposes, in a manner substantially consistent with market practice (or, if Principal Paying Agent or the Calculation Agent, as applicable, decides that adoption of any portion of such market practice is not administratively feasible or if the Principal Paying Agent or the Calculation Agent, as applicable, determines that no market practice for use of such Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread) exists, in such other manner as the Principal Paying Agent or the Calculation Agent, as applicable, determines is reasonably necessary), then the Issuer, the Bond Trustee and the Principal Agent and/or the Calculation Agent, as applicable, shall agree without any requirement for the consent or approval of Covered Bondholders to the necessary amendments to these Conditions, the Bond Trust Deed and/or the Principal Agency Agreement to reflect such changes, and the Issuer shall give notice or will procure that notice is given as soon as practicable to the Principal Paying Agent and the Calculation Agent and, in accordance with Condition 12, the Covered Bondholders, specifying the Recommended Replacement Rate and any Recommended Adjustment Spread or any SNB Adjustment Spread, as applicable, and the amendments implemented pursuant to this Condition 4.2(m)(iii), provided that the Bond Trustee, and the Principal Paying Agent or the Calculation Agent, as applicable, shall not be obliged to agree to any amendments which in their sole opinion would have the effect of: (a) exposing the Bond Trustee and the Principal Paying Agent or the Calculation Agent, as applicable, 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, and the Principal Paying Agent or the Calculation Agent, as applicable, in the Programme Documents and/or these Conditions that increase their duties or obligations or reduce their rights or protections.

(iv) Unless the Issuer has elected to redeem the Covered Bonds in accordance with Condition 6 and the date fixed for redemption falls on or prior to the Replacement Rate Agent Appointment Cut-Off Date (as defined below), the Issuer will appoint a agent (such agent, a **Replacement Rate Agent**) on or prior to the first Zurich Banking Day (x) with respect to which SARON is to be determined pursuant to sub-paragraph (C) of the definition of SARON and (y) for which the SNB Policy Rate has not been published thereon (such Zurich Banking Day, the **Replacement Rate Agent Appointment Cut-Off Date**). The Issuer may appoint an affiliate of the Issuer or any other person as Replacement Rate Agent, so long as such affiliate or other person is a leading bank or financial institution that is experienced in the calculations and determinations to be made by the Replacement Rate Agent under this Condition 4.2(m). The Issuer will notify the Covered Bondholders of any such appointment in accordance with Condition 12.

(v) If the conditions set out in the last sub-paragraph of the definition of SARON have been satisfied, then the Replacement Rate Agent will determine whether to use an alternative rate to SARON for the Affected Zurich Banking Day and for all subsequent Zurich Banking Days in the SARON Observation Period in which the Affected Zurich Banking Day falls (the **Affected SARON Observation Period**) and all SARON Observation Periods thereafter. If the Replacement Rate Agent determines to use an alternative rate pursuant to the immediately preceding sentence, it shall select such rate that it has determined is most comparable to the Swiss Average Rate Overnight (the **Existing Rate**), provided that if it determines that there is an appropriate industry-accepted successor rate to the Existing Rate, it shall use such industry-accepted successor rate. If the Replacement Rate Agent has determined an alternative rate in accordance with the foregoing (such rate, the **Replacement Rate**), for purposes of determining the Rate of Interest, (i) the Replacement Rate Agent shall determine (A)

the method for obtaining the Replacement Rate (including any alternative method for determining the Replacement Rate if such alternative rate is unavailable on the relevant Interest Determination Date), which method shall be consistent with industry-accepted practices for the Replacement Rate, and (B) any adjustment factor as may be necessary in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to the Covered Bondholders as a result of the replacement of the Existing Rate with the Replacement Rate, which adjustment factor shall be consistent with any industry-accepted practices where the Replacement Rate has replaced the Existing Rate for floating rate notes denominated in Swiss francs at such time, (ii) for the Affected Zurich Banking Day and all subsequent Zurich Banking Days in the Affected SARON Observation Period and all SARON Observation Periods thereafter, references to SARON in the Conditions shall be deemed to be references to the Replacement Rate, including any alternative method for determining such rate and any adjustment factor as described in sub-paragraph (i) above, (iii) if the Replacement Rate Agent determines that (x) changes to the definitions of Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Floating Interest Period, SARON, SARON Observation Period, Specified Time or Zurich Banking Day, and/or (y) any other technical changes to any other provision in this Condition 4.2(m) are necessary in order to implement the Replacement Rate as SARON (including any alternative method for determining such rate and any adjustment factor described in sub-paragraphs (I) or (II), respectively, above) in a manner substantially consistent with market practice (or, if the Replacement Rate Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Replacement Rate Agent determines that no market practice for use of the Replacement Rate exists, in such other manner as the Replacement Rate Agent determines is reasonably necessary), then the Issuer, the Bond Trustee and the Principal Agent and/or the Calculation Agent, as applicable, shall agree without any requirement for the consent or approval of Covered Bondholders to the necessary amendments to these Conditions, the Bond Trust Deed and/or the Principal Agency Agreement to reflect such changes, and (iv) the Issuer shall give notice as soon as practicable to the Principal Paying Agent, the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered Bondholders, specifying the Replacement Rate, as well as the details described in sub-paragraph (i) above, and the amendments implemented pursuant to this Condition 4.2(m)(v). Any determination to be made by the Replacement Rate Agent pursuant to this Condition 4.2(m)(v), including any determination with respect to a 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 made in the sole discretion of the Replacement Rate Agent (acting in good faith and in a commercially reasonable manner), provided that the Bond Trustee, and the Principal Paying Agent or the Calculation Agent, as applicable, shall not be obliged to agree to any amendments which in their sole opinion would have the effect of: (a) exposing the Bond Trustee, and the Principal Paying Agent or the Calculation Agent, as applicable, 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, and the Principal Paying Agent or the Calculation Agent, as applicable, in the Programme Documents and/or these Conditions that increase their duties or obligations or reduce their rights or protections.

(n) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a minimum Rate of Interest for any Floating Interest Period, then, in the event that the Rate of Interest in respect of any such Floating Interest Period determined in accordance with the above provisions is less than such minimum Rate of Interest, the Rate of Interest for such Floating Interest Period shall be such minimum Rate of Interest. If the applicable Final Terms specifies a maximum Rate of Interest for any Floating Interest Period, then, in the event that the Rate of Interest in respect of any such Floating Interest Period determined in accordance with the above provisions is greater than such maximum Rate of

Interest, the Rate of Interest for such Floating Interest Period shall be the maximum Rate of Interest.

Unless otherwise stated in the applicable Final Terms, the minimum Rate of Interest shall be deemed to be zero.

(o) *[Reserved]*

(p) *Business Day, Interest Determination Date and Relevant Screen Page*

In this Condition, **Business Day** has the meaning given to it in Condition 4.3.

In this Condition, **Interest Determination Date** has the meaning set out in this Condition, as applicable, and as specified in the applicable Final Terms.

In this Condition, **Relevant Screen Page** has the meaning set out in this Condition, as applicable, and as specified in the applicable Final Terms.

(q) *Determination of Rate of Interest and Calculation of Interest Amount*

The Principal Paying Agent or the Calculation Agent, as applicable, will, as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and/or calculate the Interest Amount payable on the Floating Rate Covered Bonds for the relevant Floating Interest Period as soon as practicable after calculating the same.

Unless otherwise specified in the applicable Final Terms, the Interest Amount payable on the Floating Rate Covered Bonds for the relevant Floating Interest Period will be calculated by applying the Rate of Interest to:

(i) in the case of Floating Rate Covered Bonds which are (i) represented by a Global Covered Bonds or (ii) Registered Covered Bonds in definitive form, the aggregate outstanding nominal amount of (A) the Covered Bonds represented by such Global Covered Bonds or (B) such Registered Covered Bonds, in each case, unless "Calculation to be on a Calculation Amount Basis" is specified as being applicable in the applicable Final Terms in which case the Rate of Interest shall be applied to the Calculation Amount; or

(ii) in the case of Floating Rate Covered Bonds which are Definitive Covered Bonds, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Covered Bond which is a Definitive Covered Bond is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Covered Bond will be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

The determination of the Rate of Interest and calculation of each Interest Amount by the Principal Paying Agent or the Calculation Agent, as applicable, shall (in the absence of manifest error) be final and binding upon all parties.

(r) *Notification of Rate of Interest and Interest Amount*

The Principal Paying Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and the Floating Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified, other than where the Reference Rate is specified in the applicable Final Terms as being "Compounded Daily SONIA", "Compounded Daily SOFR", "Compounded Daily SORA", "Compounded Daily CORRA", "Compounded Daily TONA", "€STR", "BBSW Rate", "BKBM" or "SARON Compounded", to the Issuer and the Covered Bond Guarantor and, in the case of Floating Rate Covered Bonds which are listed on a stock

exchange, that stock exchange as soon as possible but in any event not later than the second Business Day after their determination and will cause notice of such information to be given to the holders of the Covered Bonds of this Series in accordance with Condition 12 not later than the fourth Business Day after their determination and, in the case of Floating Rate Covered Bonds referencing "Compounded Daily SONIA", "Compounded Daily SOFR", "Compounded Daily SORA", "Compounded Daily CORRA", "Compounded Daily TONA", "€STR", "BBSW Rate", "BKBM" or "SARON Compounded", in the case of notice to each of the Issuer, any stock exchange and in accordance with Condition 12 as provided above, the Principal Paying Agent or the Calculation Agent, as applicable, will cause such notice to be given as soon as possible after the determination of the relevant Rate of Interest and Interest Amount, and no later than the second Business Day after their determination. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notification as aforesaid in the event of an extension or shortening of the Floating Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Covered Bonds affected thereby are for the time being listed.

(s) *Notifications, etc. to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Conditions by the Principal Paying Agent, or the Calculation Agent, as applicable, or other Paying Agents (if any) will (in the absence of default, bad faith or manifest error by them or any of their directors, officers, employees or agents) be binding on the Issuer, the Covered Bond Guarantor, the Principal Paying Agent or the Calculation Agent, as applicable, the Paying Agents and all holders of the Covered Bonds of this Series and Coupons relating thereto and (in the absence of any default, bad faith or manifest error as referred to above) no liability to the Issuer or the holders of the Covered Bonds of this Series and Coupons relating thereto will attach to the Principal Paying Agent or the Calculation Agent, as applicable, in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Condition.

(t) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of a Floating Interest Period in the applicable Final Terms, the Rate of Interest for such Floating Interest Period shall be calculated by the Principal Paying Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, 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 Floating 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 Floating 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 or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

In these Conditions:

Designated Maturity means the period of time designated in the Reference Rate.

4.3 Day Count Fraction and Business Day Convention

(a) Day Count Fraction

Day Count Fraction means, unless otherwise specified in the applicable Final Terms:

(i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in, for the purposes of Condition 4.1, the Fixed Interest Period or, if interest is required to be calculated for a period (the **Relevant Period**) other than a full Interest Period, the Relevant Period, as the case may be, and, for the purposes of Condition 4.2, the Floating Interest Period, in each case divided by 365 (or, if any portion of the relevant period falls in a leap year, the sum of (A) the actual number of days in that portion of the relevant

period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the relevant period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in, for the purposes of Condition 4.1, the Fixed Interest Period or the Relevant Period, as the case may be, and, for the purposes of Condition 4.2, the Floating Interest Period, in each case divided by 365;

(iii) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in, for the purposes of Condition 4.1, the Fixed Interest Period or the Relevant Period, as the case may be, and, for the purposes of Condition 4.2, the Floating Interest Period, in each case divided by 360;

(iv) if "30/360 (Floating)", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$DayCount\ Fraction = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y_1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D_1 is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

D_2 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 D_1 is greater than 29, in which case D_2 will be 30;

(v) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in, for the purposes of Condition 4.1, the Fixed Interest Period or the Relevant Period, as the case may be, and, for the purposes of Condition 4.2, the Floating Interest Period, in each case divided by 360, calculated on a formula basis as follows:

$$DayCount\ Fraction = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y_1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D_1 is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30;

(vi) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in, for the purposes of Condition 4.1, the Fixed Interest Period or the Relevant Period, as the case may be, and, for the purposes of Condition 4.2, the Floating Interest Period, in each case divided by 360,, calculated on a formula basis as follows:

$$DayCount\ Fraction = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y_1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D_1 is the first calendar day, expressed as a number, of the Interest Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (A) that day is the last day of February but not the Final Maturity Date or (B) such number would be 31 and D_2 will be 30.

(vii) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(A) in the case of Covered Bonds where the number of days in the Interest Period or the Relevant Period, as the case may be, from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or

(B) in the case of Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year;

(viii) if "30/360 (Fixed)" or "30/360, unadjusted" is specified in the applicable Final Terms, the number of days in the Interest Period or the Relevant Period, as the case may be, (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

Determination Period means the period from (and including) a Determination Date (as specified in the applicable Final Terms) to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

(ix) if "RBA Bond Basis" is specified in the applicable Final Terms, one divided by the number of Interest Payment Dates in a year in which the Interest Period falls (a year being each 12 month period on and from the Issue Date).

(b) Business Day Convention

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then if the Business Day Convention specified is:

(i) in the case where a Specified Period is specified in accordance with Condition 4.1(a) above, the Floating Rate Convention, such Interest Payment Date (A) in the case of (x) above, must be the last day that is a Business Day in the relevant month and the provisions of paragraph (ii) below will apply mutatis mutandis or (B) in the case of (y) above, must be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date (or other date) must be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date will be the last Business Day of the last month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or

(ii) the Following Business Day Convention, such Interest Payment Date will be postponed to the next day which is a Business Day; or

(iii) the Modified Following Business Day Convention, such Interest Payment Date will be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date will be brought forward to the immediately preceding Business Day; or

(iv) the Preceding Business Day Convention, such Interest Payment Date will be brought forward to the immediately preceding Business Day.

In this Condition:

Business Day means (unless otherwise stated in the applicable Final Terms):

(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 Sydney and in London and, if any Additional Business Centre(s) (other than T2) is specified in the applicable Final Terms, in such Additional Business Centre(s);

(ii) if T2 is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system (**T2**) is open; and

(iii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency or (2) in relation to any sum payable in euro, a day on which T2 is open.

4.4 [Reserved]

4.5 [Reserved]

4.6 [Reserved]

4.7 Benchmark Discontinuation

Notwithstanding the provisions in Condition 4.2 above, (in the case of Floating Rate Covered Bonds other than where the Reference Rate is specified in the applicable Final Terms as being "Compounded Daily SOFR", "Compounded Daily SORA", "Compounded Daily CORRA", "BBSW Rate" or "SARON Compounded", in which case the provisions of this Condition 4.7 shall not apply) if the Issuer (acting in good faith and in a commercially reasonable manner) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this Condition 4.7 shall apply.

(a) *Successor Rate or Alternative Rate*

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 Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered Bondholders of such Successor Rate and that Successor Rate shall (subject to adjustment as provided in Condition 4.7(b)) subsequently be used by the Principal Paying Agent or the Calculation Agent, as applicable, in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (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 4.7).

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 Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered Bondholders of such Alternative Rate and that Alternative Rate shall (subject to adjustment as provided in Condition 4.7(b)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (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 4.7).

(b) *Adjustment Spread*

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 Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered Bondholders of such Adjustment Spread and the Principal Paying Agent or the Calculation Agent, as applicable, shall apply such Adjustment Spread to the Successor Rate for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate.

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 Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered

Bondholders of such Adjustment Spread and the Principal Paying Agent (or the Calculation Agent, as applicable, apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

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:

(i) 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

(ii) 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 Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, and, in accordance with Condition 12, the Covered Bondholders of such Adjustment Spread and the Principal Paying Agent and the Calculation Agent, if applicable, 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 Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(c) *Benchmark Amendments*

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4.7 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 and/or the Bond Trust Deed and/or the Principal 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 the Issuer, the Bond Trustee and the Agents shall, subject to the following paragraphs of this Condition 4.7(c) and subject to the Issuer having to give notice thereof to the Covered Bondholders in accordance with Condition 12 and to the Bond Trustee and the party responsible for determining the Rate of Interest (being the Principal Paying Agent or the Calculation Agent, as applicable, in accordance with this Condition 4.7(c), without any requirement for the consent or approval of Covered Bondholders, agree to the necessary modifications to these Conditions and/or Bond Trust Deed and/or the Principal Agency Agreement to give effect to such Benchmark Amendments at the request of the Issuer, but subject to receipt by the Bond Trustee, the Principal Paying Agent and the Calculation Agent, if applicable, of the certificate referred to in the penultimate paragraph of this Condition 4.7(c), and subject as provided below, the Bond Trustee and the Agents (as applicable) shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders and without liability to the Covered Bondholders or any other person, be obliged to concur with the Issuer in effecting any such Benchmark Amendments (including, *inter alia*,

by the execution of a deed supplemental to or amending the Bond Trust Deed) with effect from the date specified in such notice.

In connection with any such modifications in accordance with this Condition 4.7(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.

Notwithstanding any other provision of this Condition 4.7(c), neither the Bond Trustee nor any Agent shall be obliged to concur with the Issuer and the Covered Bond Guarantor, and/or (in the case of the Bond Trustee) direct the Security Trustee to concur with the Issuer and the Covered Bond Guarantor in respect of any Benchmark Amendments which, in the sole opinion of the Bond Trustee or the relevant Agent (as applicable), would have the effect of (i) exposing the Bond Trustee or the relevant Agent (as applicable) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Bond Trustee or the relevant Agent (as applicable) in the Bond Trust Deed, the Principal Agency Agreement and/or these Conditions.

Any Benchmark Amendments determined under this Condition 4.7(c) shall be notified promptly (not less than five Business Days prior to the relevant Interest Determination Date) by the Issuer to the Covered Bond Guarantor, the Bond Trustee, the Principal Paying Agent, the Calculation Agent, if applicable, and, in accordance with Condition 12, the Covered Bondholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Amendments.

No later than notifying the Bond Trustee and the Principal Paying Agent, the Calculation Agent, if applicable, of the same, the Issuer shall deliver to each of the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, a certificate (on which each of the Bond Trustee and the Principal Paying Agent or the Calculation Agent, as applicable, shall be entitled to rely without further enquiry or liability) signed by an Authorised Officer of the Issuer:

(i) confirming (A) that a Benchmark Event has occurred, (B) whether the Issuer has consulted with an Independent Adviser, (C) the Successor Rate or, as applicable, the Alternative Rate and, (D) where applicable, any Adjustment Spread and/or (E) the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4.7(c); and

(ii) certifying that the Benchmark Amendments (A) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread and (B) in each case, have been drafted solely to such effect.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Bond Trustee's and the Principal Paying Agent's or the Calculation Agent's, as applicable, ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, and the Covered Bondholders.

Notwithstanding any other provision of this Condition 4, if in the Bond Trustee's, Principal Paying Agent's or Calculation Agent's opinion, as applicable, there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 4, the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, shall promptly notify the Issuer thereof and the Issuer shall direct the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, in writing as to which alternative course of action to adopt. If the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, is not promptly provided with such direction, or is otherwise unable or unwilling to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Bond Trustee, the Principal Paying Agent or the Calculation Agent, as applicable, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(d) *Independent Adviser*

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 4.7(d), the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this Condition 4.7(d) shall act in good faith and in a commercially reasonable manner and (in the absence of fraud or wilful default) shall have no liability whatsoever to the Issuer, the Bond Trustee 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 4.7(d) or otherwise in connection with the Covered Bonds.

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.

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 4.7, the Original Reference Rate and the fallback provisions provided for in Condition 4.2(d), the applicable Final Terms, as the case may be, 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 4.7.

(f) *Notifications, etc. to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.7 by the Issuer will (in the absence of default, bad faith or manifest error by it or any of its directors, officers, employees or agents) be binding on the Issuer, the Bond Trustee, the Covered Bond Guarantor, the Principal Paying Agent, the Calculation Agent, the Paying Agents and all the Covered Bondholders of the relevant Series and Coupons relating thereto and (in the absence of any default, bad faith or manifest error as referred to above) no liability to the Bond Trustee, the Principal Paying Agent, the Calculation Agent, if applicable, or the Covered Bondholders of the relevant Series and Coupons relating thereto shall attach to the Issuer in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 4.7.

(g) *Definitions*

In this Condition 4.7:

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 4.7 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;

Benchmark Event means the earlier to occur of:

(i) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;

(ii) 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;

(iii) 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, is prohibited from being used or is no longer representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, restrictions or adverse consequences are to apply from a specified date after the making of any public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; and

(iv) it has or will prior to the next Interest Determination Date become unlawful for the Principal Paying Agent or the Calculation Agent, as applicable, any Paying Agent, (if specified in the applicable Final Terms) such other party responsible for the calculation of the Rate of Interest as specified in the applicable Final Terms, or the Issuer to determine any Rate of Interest 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 domestic law in the UK by virtue of the EUWA, if applicable);

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;

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified in the applicable Final Terms for the purposes of determining the relevant Rate of Interest (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);

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

(i) 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

(ii) 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; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

5. REDEMPTION AND PURCHASE

5.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, each Covered Bond of this Series will be redeemed at its Final Redemption Amount in the relevant Specified Currency on the Final Maturity Date (as specified in the applicable Final Terms).

Without prejudice to Condition 9, if an Extended Due for Payment Date is specified as applicable in the applicable Final Terms for a Series of Covered Bonds and the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the applicable Final Terms (or after expiry of the grace period set out in Condition 9.1(a) and, following the service of a Notice to Pay on the Covered Bond Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Covered Bond Guarantor has insufficient moneys available under the Guarantee Priority of Payments to pay the Guaranteed Amounts corresponding to the Final Redemption Amount in full in respect of the relevant Series of Covered Bonds on the date falling on the earlier of (a) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9.2(a)) under the terms of the Covered Bond Guarantee and (b) the Extension Determination Date, then (subject as provided below) payment of the unpaid amount by the Covered Bond Guarantor under the Covered Bond Guarantee will be deferred until the Extended Due for Payment Date, provided that the Covered Bond Guarantor may pay any amount representing the Final Redemption Amount on the relevant Final Maturity Date and any amount representing the Final Redemption Amount due and remaining unpaid on the earlier of (a) and (b) above may also be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter up to (and including) the Extended Due for Payment Date. The Issuer must confirm to the Principal Paying Agent 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 a Series of Covered Bonds on that Final Maturity Date or (y) payment will not be made in full of the Final Redemption Amount in respect of a Series of Covered Bonds on that Final Maturity Date.

The Covered Bond Guarantor must notify the relevant Covered Bondholders (in accordance with Condition 12), the Rating Agencies, the Bond Trustee, the Security Trustee, the Principal Paying Agent and the Registrar as soon as reasonably practicable and in any event at least one Business Day prior to the dates specified in (a) and (b) of the preceding paragraph of any inability of the Covered Bond Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of a Series of Covered Bonds pursuant to the Covered Bond Guarantee. Any failure by the Covered Bond Guarantor to notify such parties will not affect the validity or effectiveness of the extension nor give rise to any rights in any such party. In such circumstances, the Covered Bond Guarantor must on the earlier of (a) the date falling two Business Days after the service of a Notice to Pay on the Covered Bond Guarantor or if later the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9.2(a)) and (b) the Extension Determination Date, under the Covered Bond Guarantee, apply the moneys (if any) available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) pro rata in part payment of an amount equal to the Final Redemption Amount of each Covered Bond of the relevant Series of Covered Bonds and must pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Covered Bond on such date. The obligation of the Covered Bond Guarantor to pay any amounts in respect of the balance of the Final Redemption Amount not so paid will be deferred as described above. Such failure to pay by the Covered Bond Guarantor will not constitute a Covered Bond Guarantor Event of Default.

Any discharge of the obligations of the Issuer as the result of the payment of Excess Proceeds to the Bond Trustee must be disregarded for the purposes of determining the amounts to be paid by the Covered Bond Guarantor under the Covered Bond Guarantee in connection with this Condition 5.1.

For the purposes of these Conditions:

Extended Due for Payment Date means, in relation to any Series of Covered Bonds, the date, if any, specified as such in the applicable Final Terms to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Final Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Extension Determination Date.

Extension Determination Date means, in respect of a Series of Covered Bonds to which an Extended Due for Payment Date applies, the date falling two Business Days after the expiry of seven days starting on (and including) the Final Maturity Date of such Series of Covered Bonds.

Guarantee Priority of Payments means the guarantee priority of payments relating to the allocation and distribution of the Available Income Amount and Available Principal Amount following service of a Notice to Pay on the Covered Bond Guarantor, but prior to service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, as set out in clause 15.4 of the Establishment Deed.

Rating Agency means any one of Moody's Investors Service Pty Limited and Fitch Australia Pty Ltd (together, the **Rating Agencies**) or their successors, to the extent they provide ratings in respect of the Covered Bonds.

5.2 Redemption for Tax Reasons

The Covered Bonds of this Series may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Covered Bonds other than Floating Rate Covered Bonds) or on any Interest Payment Date (in the case of Floating Rate Covered Bonds), on giving not less than 30 nor more than 60 days' notice in accordance with Condition 12 which notice is irrevocable, at the Early Redemption Amount provided in, or calculated in accordance with, Condition 5.8 (as applicable) below, together with (if provided in such paragraphs) interest accrued up to, but excluding, the date fixed for redemption, if the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including the manner of exercising any official discretion thereunder), which change or amendment becomes known generally or to the Issuer on or after the Issue Date (or, in the case of a second or subsequent Tranche of Covered Bonds of this Series, the Issue Date for the original Tranche) provided that no such notice of redemption may be given in respect of the Covered Bonds of this Series earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts and, for the purpose only of determining the earliest date on which such notice may be given, it will be deemed that a payment, in respect of which the Issuer would be obliged to pay such additional amounts, is due in respect of the Covered Bonds of this Series on the day on which any such change or amendment becomes effective.

5.3 Redemption at the Option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Final Terms, the Issuer may, on any Optional Redemption Date specified in the applicable Final Terms, at its option, on giving not less than five Business Days' notice or such other notice period specified in the applicable Final Terms to the Bond Trustee, the Registrar and Covered Bondholders of a relevant Series (which notice is irrevocable and shall specify the date fixed for redemption and where any such period of notice is expressed as a specified number of business days, the expression "business day" shall have the meaning given in Condition 6.7) in accordance with Condition 12, redeem all or from time to time some only of the Covered Bonds then outstanding on the relevant Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if applicable, with (in the case of Fixed Rate Covered Bonds) interest accrued to, but excluding, the relevant Optional Redemption Date. In the event of a redemption of some only of such Covered Bonds, such redemption must be for an amount being equal to the Minimum Redemption Amount or a Higher Redemption Amount (if any) specified in the applicable Final Terms. In the case of a partial redemption of Covered Bonds, the Covered Bonds to be redeemed (the **Redeemed Covered Bonds**) will be selected:

(i) individually by lot (without involving any part only of a Bearer Covered Bond), in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds; and

(ii) in the case of Redeemed Covered Bonds represented by a Global Covered Bond, in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) (or any alternative or additional clearing system as may be specified in the applicable Final Terms),

in each case, not less than 40 days prior to the date fixed for redemption. Each notice of redemption will specify the date fixed for redemption and, in the case of a partial redemption, the aggregate nominal amount, and, where some or all of the Redeemed Covered Bonds are represented by Definitive Covered Bonds, the serial numbers of the Redeemed Covered Bonds and, in each case, the aggregate nominal amount of the Covered Bonds of this Series which will be outstanding after the partial redemption. In addition, in the case of a partial redemption of a Series of Covered Bonds which includes Registered Covered Bonds, the Issuer will publish an additional notice of redemption not less than 80 nor more than 95 days before the date fixed for redemption which notice will specify the period during which exchanges or transfers of Covered Bonds may not be made as provided for in Condition 2.

5.4 Redemption at the Option of the Covered Bondholders (Investor Put)

If Investor Put is specified in the applicable Final Terms, upon any Covered Bondholder giving to the Issuer in accordance with Condition 12 not less than 30 nor more than 60 days' notice (the **notice period**) as specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice redeem in whole (but not in part) the Covered Bonds the subject of the notice on the Optional Redemption Date and at the Optional Redemption Amount indicated in the applicable Final Terms together with (in the case of Fixed Rate Covered Bonds) interest accrued up to, but excluding, the Optional Redemption Date.

To exercise the right to require redemption of this Covered Bond the holder of this Covered Bond must, if this Covered Bond is in Definitive form, deliver, at the specified office of any Paying Agent (in the case of Covered Bonds in bearer form) or the Registrar (in the case of Covered Bonds in registered form) on any business day (as defined in Condition 6.7, falling within the notice period a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or from the Registrar (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 5.4. If this Covered Bond is in Definitive form, the Put Notice must be accompanied by this Covered Bond or evidence satisfactory to the Paying Agent concerned that this Covered Bond will, following delivery of the Put Notice, be held to its order or under its control.

If the Covered Bond is represented by a Global Covered Bond held through Euroclear or Clearstream, Luxembourg to exercise the right to require redemption of the Covered Bond the holder of the Covered Bond must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear or Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg, or any common depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of a clearing system by a holder of, or the holder of a beneficial interest in, as applicable, any Covered Bond pursuant to this Condition 5.4 is irrevocable except where, prior to the due date of redemption, an Issuer Event of Default or a Covered Bond Guarantor Event of Default has occurred and is continuing and the Bond Trustee has declared the Covered Bonds to be due and payable pursuant to Condition 9, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 5.4 and instead request or direct the Bond Trustee to declare such Covered Bond forthwith due and payable pursuant to Condition 9.

5.5 Redemption due to Illegality

The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice as specified in the applicable Final Terms to the Bond Trustee, the Principal Paying Agent, the Registrar and, in accordance with Condition 12, all the Covered Bondholders (which notice is irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that it has, or will before the next Interest Payment Date of any Covered Bond of any Series, become unlawful for the Intercompany Loan Provider and/or Demand Loan Provider to make, fund or allow to remain outstanding any Term Advance or the Demand Loan (or, in either case, any part thereof) made by the Intercompany Loan Provider or the Demand Loan Provider, as the case may be, to the Covered Bond Guarantor pursuant to the Intercompany Loan Agreement or the Demand Loan Agreement, as the case may be, as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official

interpretation of such laws or regulations, which change or amendment has become or will become effective before the next such Interest Payment Date.

Covered Bonds redeemed pursuant to this Condition 5.5 will be redeemed at their Early Redemption Amount referred to in Condition 5.8 together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to Condition 5.2 and Condition 5.5, the Issuer must deliver to the Bond Trustee a certificate signed by either a Director, authorised representative, attorney or authorised signatory stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem have occurred and the Bond Trustee will be entitled to accept the certificate as sufficient evidence of the satisfaction of such conditions precedent, in which event it will be conclusive and binding on all holders of the Covered Bonds and Couponholders.

5.6 Final Terms

The applicable Final Terms indicates that either (a) this Covered Bond cannot be redeemed prior to its Final Maturity Date except as provided in Conditions 5.2 and 5.5 above or (b) that this Covered Bond will be redeemable at the option of the Issuer and/or the holder of this Covered Bond prior to such Final Maturity Date in accordance with the provisions of Conditions 5.3 and/or 5.4 on the Optional Redemption Date and at an Optional Redemption Amount, and in any Minimum Redemption Amount or Higher Redemption Amount, indicated therein.

5.7 [Reserved]

5.8 Early Redemption Amounts

For the purposes of Condition 5.2 or Condition 5.5 above and Condition 9, unless otherwise indicated in the applicable Final Terms, Covered Bonds will be redeemed at their Early Redemption Amount, being in the case of Fixed Rate Covered Bonds or Floating Rate Covered Bonds, the Final Redemption Amount, in each case in the relevant Specified Currency together with, in the case of Fixed Rate Covered Bonds redeemed pursuant to Condition 5.2 or Condition 5.5 above, interest accrued to, but excluding, the date fixed for redemption.

5.9 [Reserved]

5.10 Purchase and Cancellation

The Issuer or any of its subsidiaries or the Covered Bond Guarantor may (subject as provided below) at any time purchase or otherwise acquire Covered Bonds of this Series (provided that, in the case of Bearer Definitive Covered Bonds, all unmatured Coupons and Talons appertaining to such Covered Bonds are attached thereto or surrendered therewith) in any manner and at any price. If purchases are made by tender, tenders must be available to all the Covered Bondholders alike. Such Covered Bonds may be held, reissued, resold or, in respect of Covered Bonds, at the option of the Issuer or the relevant subsidiary, surrendered to the Registrar and/or to any Paying Agent for cancellation (except that any Covered Bonds purchased or otherwise acquired by the Covered Bond Guarantor must immediately be surrendered to the Registrar and/or to any Paying Agent for cancellation).

5.11 [Reserved]

5.12 [Reserved]

6. PAYMENTS AND EXCHANGE OF TALONS

6.1 Payments in respect of Bearer Definitive Covered Bonds

(a) Payments of principal and interest (if any) in respect of Bearer Definitive Covered Bonds (if issued) will (subject as provided below) be made against surrender (or, in the case of part payment only, presentation and endorsement) of Bearer Definitive Covered Bonds or Coupons (which expression, in this Condition 6.1 and Condition 8, will not include Talons), as the case may be, at any specified office of any Paying Agent.

(b) [Reserved]

(c) Except as otherwise provided in Condition 6.4 below, all payments of principal and interest with respect to Bearer Definitive Covered Bonds will be made outside the United States. Payments in any currency other than euro in respect of Bearer Definitive Covered Bonds will (subject as provided below) be made by transfer to an account (in the case of payment in Yen to a non-resident of Japan, a non-resident account) in the Specified Currency maintained by the payee with a bank in the principal financial centre of the country of the Specified Currency provided that if at any time such payments cannot be so made, then payments will be made in such other manner as the Issuer may determine and notify in accordance with Condition 12.

6.2 Payments in respect of Registered Covered Bonds

Payments of principal in respect of Registered Covered Bonds (whether or not in Global form) will (subject as provided in this Condition 6.2) be made against presentation and surrender of such Registered Covered Bonds at the specified office of the Registrar by transfer in the Specified Currency to a designated bank account in the principal financial centre of the country of the Specified Currency. Payments of interest in respect of Registered Covered Bonds will (subject as provided in this Condition 6.2) be made by transfer in the Specified Currency to a designated bank account in the principal financial centre of the country of the Specified Currency and posted on the business day in the city in which the Registrar has its specified office immediately preceding the relevant due date to the holder (or to the first named of joint holders) of the Registered Covered Bond appearing on the register at the close of business on the 15th day before the relevant due date (the **Record Date**) at his address shown on the register on the Record Date. Upon application of the holder to the specified office of the Registrar not less than five business days in the city in which the Registrar has its specified office before the due date for any payment in respect of a Registered Covered Bond, the payment of principal and/or interest may be made (in the case of payment of principal against presentation and surrender of the relevant Registered Covered Bond as provided above) by transfer on the due date to an account in the Specified Currency maintained by the payee with a bank in the principal financial centre of the country of the Specified Currency subject to the provisions of the following two sentences. If the Specified Currency is Yen, payment will be made (in the case of payment to a non-resident of Japan) by cheque drawn on, or by transfer to a non-resident account. If the Specified Currency is euro, payment will be made to a euro account specified by the payee.

Holders of Registered Covered Bonds will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any such Registered Covered Bond as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses may be charged to such Covered Bondholders by the Registrar in respect of any payment of principal or interest in respect of the Registered Covered Bonds.

None of the Issuer, the Bond Trustee, the Covered Bond Guarantor nor the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Regulation S Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

6.3 Payments in respect of Bearer Global Covered Bonds

(a) Payments of principal and interest (if any) in respect of Bearer Global Covered Bonds will (subject as provided below) be made in the manner specified in the Bearer Global Covered Bond against presentation and endorsement or surrender, as the case may be, of such Bearer Global Covered Bond at the specified office of any Paying Agent outside of the United States. A record of each payment made on such Bearer Global Covered Bond, distinguishing between any payment of principal and interest, will be made on such Bearer Global Covered Bond by the Paying Agent to which such Bearer Global Covered Bond is presented for the purpose of making such payment, and such record will (save in the case of manifest error) be conclusive evidence that the payment in question has been made.

(b) The holder of a Bearer Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) is the only person entitled to receive payments in respect of Covered Bonds represented by such Bearer Global Covered Bond and the Issuer or, as the case may be, the Covered Bond Guarantor will be discharged by payment to, or to the order of, the holder of such Bearer Global Covered Bond (or the Bond Trustee as the case may be) in respect of each amount so paid. Each of the persons shown in the

records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Covered Bonds must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Covered Bond Guarantor to, or to the order of, the holder of the relevant Bearer Global Covered Bond (or as provided in the Bond Trust Deed, the Bond Trustee). No person other than the holder of a Bearer Global Covered Bond (or, as provided in the Bond Trust Deed, the Bond Trustee) will have any claim against the Issuer or, as the case may be, the Covered Bond Guarantor in respect of any payments due on that Bearer Global Covered Bond.

6.4 Payments of interest in U.S. dollars in respect of Bearer Covered Bonds

Notwithstanding the foregoing, payments of interest in U.S. dollars in respect of Bearer Covered Bonds will only be made at the specified office of any Paying Agent in the United States (which expression, as used in these Conditions, means the United States (including the States and District of Columbia and its possessions)) (a) if: (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of interest on the Bearer Covered Bonds in the manner provided above when due, (ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) such payment is then permitted under United States law and (b) at the option of the relevant holder if such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

6.5 Payments subject to applicable laws

Payments in respect of the Covered Bonds will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any IGA entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding. Any such amounts withheld or deducted will be treated as paid for all purposes under the Covered Bonds and no additional amounts will be paid on the Covered Bonds with respect to any such withholding or deduction.

6.6 Unmatured Coupons and Talons

(a) Fixed Rate Covered Bonds which are Bearer Definitive Covered Bonds (other than Long Maturity Covered Bonds (as defined in paragraph (b))) should be presented for redemption together with all unmatured Coupons (which expression will include Coupons falling to be issued on exchange of Talons which will have matured on or before the relevant redemption date) appertaining thereto, failing which, the amounts of any missing unmatured Coupons (or, in the case of payment of principal not being made in full, that proportion of the aggregate amount of such missing unmatured Coupons that the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Any amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupons at any time in the period expiring 10 years after the Relevant Date (as defined in Condition 7) for the payment of such principal, whether or not such Coupon would otherwise have become void pursuant to Condition 8 or, if later, five years from the due date for payment of such Coupon. Upon any Fixed Rate Covered Bond which is a Bearer Definitive Covered Bond becoming due and repayable prior to its Final Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons in respect of any such Talons will be made or issued, as the case may be.

(b) Upon the due date for redemption of any Floating Rate Covered Bond or Long Maturity Covered Bond which is a Bearer Definitive Covered Bond, any unmatured Coupons or Talons relating to such Covered Bond (whether or not attached) will become void and no payment or exchange, as the case may be, will be made in respect of them. Where any such Covered Bond is presented for redemption without all unmatured Coupons or Talons relating to it, redemption will be made only against the provision of such indemnity as the Issuer may require. A **Long Maturity Covered Bond** is a Fixed Rate Covered Bond (other than a Fixed Rate Covered Bond which on issue had a Talon attached) whose nominal amount on

issue is less than the aggregate interest payable thereon provided that such Covered Bond will cease to be a Long Maturity Covered Bond on the Fixed Interest Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Covered Bond.

6.7 Payments due on non-business days

If any date for payment of principal in respect of any Registered Covered Bond or any amount in respect of any Bearer Covered Bond or Coupon is not a business day, then the holder thereof will not be entitled to payment at the place of presentation of the amount due until the next following business day (unless otherwise specified in the applicable Final Terms) and will not be entitled to any interest or other sum in respect of any such postponed payment. In addition if any date for the payment of interest by transfer to an account specified by the holder in respect of any Registered Covered Bond is not a business day, then the holder will not be entitled to payment to such account until the next following business day and will not be entitled to any interest or other sum in respect of any such postponed payment. In this Condition 6.7 **business day** means, subject as provided in the applicable Final Terms:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):

(i) in the relevant place of presentation;

(ii) in the case of Registered Covered Bonds, Sydney and London; and

(iii) any Additional Financial Centre specified in the applicable Final Terms; 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 the places specified in paragraph (a)) or (2) in relation to any sum payable in euro, a day on which the T2 is open.

6.8 Payment of accrued interest

If the due date for redemption of any interest bearing Covered Bond which is a Bearer Definitive Covered Bond is not a due date for the payment of interest relating thereto, interest accrued in respect of such Covered Bond from, and including, the last preceding due date for the payment of interest (or, if none, from the Interest Commencement Date) will be paid only against surrender (or, in the case of part payment, presentation and endorsement) of such Covered Bond.

6.9 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Paying Agent in Luxembourg (or any other Paying Agent notified by the Issuer to the Covered Bondholders in accordance with Condition 12 for the purposes of this Condition) in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to, and including, the final date for the payment of interest due in respect of the Covered Bond which is a Bearer Definitive Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon will, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the Coupon sheet in which that Talon was included on issue matures.

6.10 Interpretation of principal and interest

Any reference in these Conditions to principal in respect of the Covered Bonds will be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 7 or under any undertakings or covenants given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed;

(b) the Final Redemption Amount of the Covered Bonds;

(c) the Early Redemption Amount of the Covered Bonds;

(d) the Optional Redemption Amount(s) (if any) of the Covered Bonds;

(e) any premium and any other amounts (other than interest) which may be payable under or in respect of the Covered Bonds; and

(f) any Excess Proceeds which may be payable by the Bond Trustee under or in respect of the Covered Bonds.

Any reference in these Conditions to interest in respect of the Covered Bonds will be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertakings given in addition thereto, or in substitution therefor, pursuant to the Bond Trust Deed.

7. TAXATION

All payments of, or in respect of, principal and interest on the Covered Bonds and/or Coupons of this Series by or on behalf of the Issuer and all payments of Guaranteed Amounts by or on behalf of the Covered Bond Guarantor, as the case may be, will 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 or levied by or on behalf of the Commonwealth of Australia or any political sub-division thereof or any authority thereof or therein having power to tax unless such taxes, duties, assessments or governmental charges are required by Australian law to be withheld or deducted. In that event, in respect of a payment made by it, the Issuer will pay such additional amounts of, or in respect of, principal and/or interest as will result (after deduction of the taxes, duties, assessments or governmental charges) in payment to the holders of the Covered Bonds of this Series and/or the Coupons relating thereto of the amounts which would otherwise have been payable in respect of the Covered Bonds of this Series or, as the case may be the Coupons relating thereto, except that no such additional amounts will be payable with respect to any Covered Bond of this Series or Coupon relating thereto presented for payment:

(a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges in respect of such Covered Bond or Coupon by reason of his being connected with the Commonwealth of Australia other than by reason only of the holding of the Covered Bond or Coupon or the receipt of payment thereon;

(b) by or on behalf of a holder who is an associate (as that term is defined in section 128F of the Income Tax Assessment Act 1936 (the **Australian Tax Act**)) of the Issuer and the payment being sought is not, or will not be, exempt from interest withholding tax because of section 128F(6) of the Australian Tax Act;

(c) more than 30 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the last day of such period of 30 days; or

(d) by or on behalf of a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying with any statutory requirements in force at the present time or in the future or by making a declaration of non-residence or other claim or filing for exemption.

In addition, any amounts to be paid on the Covered Bonds will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any IGA entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.

The **Relevant Date** in relation to any Covered Bond or Coupon of this Series means whichever is the later of:

(i) the date on which payment in respect of such Covered Bond or Coupon first becomes due and payable; or

(ii) if the full amount of the moneys payable in respect of such Covered Bond or Coupon has not been duly received by the Principal Paying Agent on or prior to such date, the date on which notice is duly given to the Covered Bondholders of this Series in accordance with Condition 12 that such moneys have been so received.

References in these Conditions to principal and interest will be deemed also to refer (as appropriate) (i) to any additional amounts which may be payable under this Condition 7 and (ii) to any premium which may be payable in respect of the Covered Bonds.

If any withholding or deduction is required by the Covered Bond Guarantor in respect of a payment of a Guaranteed Amount to be made by it, the Covered Bond Guarantor must pay the Guaranteed Amounts net of such withholding or deduction and must account to the appropriate Tax Authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any additional amount to the Bond Trustee or any holder of Covered Bonds and/or Coupons in respect of the amount of such withholding or deduction.

8. PRESCRIPTION

Claims for payment of principal under the Covered Bonds (whether in bearer or registered form) will be prescribed upon the expiry of 10 years, and claims for payment of interest (if any) in respect of the Covered Bonds (whether in bearer or registered form) will be prescribed upon the expiry of five years, in each case from the Relevant Date (as defined in Condition 7) therefor subject to the provisions of Condition 6. There may not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 8 or Condition 6 or any Talon which would be void pursuant to Condition 6.

9. EVENTS OF DEFAULT AND ENFORCEMENT

9.1 Issuer Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose or the purpose of any Extraordinary Resolution referred to in this Condition 9.1 means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Bond Trust Deed) then outstanding, as if they were a single Series (with the Principal Amount Outstanding of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate) or, if so directed by an Extraordinary Resolution of the Covered Bondholders, must (but in the case of the happening of any of the events mentioned in paragraphs (b) and (c) below, only if the Bond Trustee has certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series) (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice (an **Issuer Acceleration Notice**) in writing to the Issuer that as against the Issuer (but not, for the avoidance of doubt, as against the Covered Bond Guarantor under the Covered Bond Guarantee) each Covered Bond of each Series is, and each such Covered Bond will, unless such event has been cured by the Issuer prior to the Issuer's receipt of the notice in writing from the Bond Trustee, thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Bond Trust Deed if any of the following events (each an **Issuer Event of Default**) occurs and is continuing:

(a) default is made by the Issuer in the payment of any principal or interest when due, in respect of any Covered Bonds and such default continues for a period of 14 days; or

(b) the Issuer defaults in performance or observance of or compliance with any of its other undertakings set out in the Covered Bonds which default is incapable of remedy or which, if capable of remedy, is not remedied within 30 days after notice of such default has been given to the Issuer by the Bond Trustee; or

(c) the Issuer becomes insolvent or it is unable to pay its debts as they mature or the Issuer applies for or consents to or suffers the appointment of a liquidator or receiver of the Issuer or the whole or substantially the whole of the undertaking, property, assets or revenues of the Issuer or takes

any proceeding under any law for a readjustment or deferment of its obligations or any part thereof or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors; or

(d) any law is passed the effect of which is to dissolve the Issuer or the Issuer ceases to carry on a general banking business in the Commonwealth of Australia or the Issuer ceases to be authorised to carry on a general banking business within the Commonwealth of Australia; or

(e) if an Asset Coverage Test Breach Notice is served and not deemed to be revoked in accordance with the terms of the Establishment Deed on or before the next Determination Date to occur following the service of such Asset Coverage Test Breach Notice; or

(f) if the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds is breached during the Pre-Maturity Test Period and the amount standing to the credit of the Pre-Maturity Ledger of the GIC Account is less than the aggregate Australian Dollar Equivalent of the Required Redemption Amount for each Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached, on the earlier to occur of:

(A) the later of:

I. the date that is 10 Local Business Days from the date that the Seller is notified of that breach; and

II. the date that is six months prior to the Final Maturity Date of the relevant Series of Hard Bullet Covered Bonds; and

(B) the Final Maturity Date of that Series of Hard Bullet Covered Bonds.

Notwithstanding any other provision of this Condition 9.1, no Issuer Event of Default in respect of the Covered Bonds shall occur solely on account of any failure by the Issuer to perform or observe any of its obligations in relation to, or the taking of any proceeding or the making or entering into of any assignment, arrangement or composition in respect of, any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (each as defined by APRA from time to time).

Upon the Covered Bonds becoming immediately due and repayable against the Issuer pursuant to this Condition 9.1, the Bond Trustee must immediately serve a notice to pay (the **Notice to Pay**) on the Covered Bond Guarantor pursuant to the Covered Bond Guarantee and the Covered Bond Guarantor will be required to make payments of Guaranteed Amounts when the same become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may or must take such proceedings or other action or step against the Issuer in accordance with Condition 9.3.

The Bond Trust Deed provides that all moneys received by or on behalf of the Bond Trustee following the occurrence of an Issuer Event of Default and the delivery of an Issuer Acceleration Notice and a Notice to Pay, from the Issuer or any receiver, liquidator, administrator, receiver and manager, statutory manager or other similar official appointed in relation to the Issuer (the **Excess Proceeds**), must be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and must be held by the Covered Bond Guarantor in the GIC Account and the Excess Proceeds will thereafter form part of the Security and must be used by the Covered Bond Guarantor in the same manner as all other moneys from time to time standing to the credit of the GIC Account pursuant to the Security Deed and the Establishment Deed. Any Excess Proceeds received by the Bond Trustee will discharge *pro tanto* the obligations of the Issuer in respect of the payment of the amount of such Excess Proceeds under the Covered Bonds and Coupons (as applicable and to the extent of the amount so received and subject to restitution of the same if such Excess Proceeds are required to be repaid by the Covered Bond Guarantor) (but will be deemed not to have done so for the purposes of subrogation rights of the Covered Bond Guarantor contemplated by the Bond Trust Deed). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration

Notice and a Notice to Pay or if earlier, service of a Covered Bond Guarantee Acceleration Notice) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds and payment to the Covered Bond Guarantor of such Excess Proceeds will not reduce or discharge any of such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder will be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

9.2 Covered Bond Guarantor Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose and the purpose of any Extraordinary Resolution referred to in this Condition 9.2 means the Covered Bonds of this Series together with the Covered Bonds of any other Series constituted by the Bond Trust Deed) then outstanding as if they were a single Series (with the Principal Amount Outstanding of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate) or, if so directed by an Extraordinary Resolution of all the Covered Bondholders, must (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), but in the case of the happening of any of the events described in paragraph (b) or (c), only if the Bond Trustee has certified in writing to the Issuer and the Covered Bond Guarantor that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series, give notice (the **Covered Bond Guarantee Acceleration Notice**) in writing to the Issuer and to the Covered Bond Guarantor, that (x) each Covered Bond of each Series is, and each Covered Bond of each Series will as against the Issuer (if not already due and repayable against it following an Issuer Event of Default), thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest and (y) all amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee will thereupon immediately become due and payable at the Guaranteed Amount corresponding to the Early Redemption Amount for each Covered Bond of each Series together with accrued interest, in each case as provided in the Bond Trust Deed and thereafter the Security will become enforceable if any of the following events (each a **Covered Bond Guarantor Event of Default**) has occurred and is continuing:

(a) default is made by the Covered Bond Guarantor for a period of 14 days or more in the payment of any Guaranteed Amounts when Due for Payment in respect of the Covered Bonds of any Series except in the case of the payments of a Guaranteed Amount when Due for Payment on the Extended Due for Payment Date under Condition 5.1 where the Covered Bond Guarantor will be required to make payments of Guaranteed Amounts which relate to the Final Redemption Amount and which are Due for Payment on the Extended Due for Payment Date; or

(b) if default is made by the Covered Bond Guarantor in the performance or observance of any other obligation, condition or provision binding on it (other than any obligation for the payment of Guaranteed Amounts in respect of the Covered Bonds of any Series) under the Bond Trust Deed, the Security Deed or any other Programme Document to which the Covered Bond Guarantor is a party (other than the Programme Agreement, the U.S Distribution 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 30 days (or such longer period as the Bond Trustee may permit) after written notice thereof has been given by the Bond Trustee to the Covered Bond Guarantor requiring the same to be remedied; or

(c) the Covered Bond Guarantor retires or is removed, or is required to retire or be removed as trustee of the Trust in accordance with the Establishment Deed and another trustee is not appointed as trustee of the Trust in accordance with the Establishment Deed within 60 days of the occurrence of that event; or

(d) a failure to satisfy the Amortisation Test (as set out in the Establishment Deed) on any Determination Date following service of a Notice to Pay on the Covered Bond Guarantor; or

(e) the Covered Bond Guarantee is not, or is claimed by the Covered Bond Guarantor not to be, in full force and effect.

Following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, each of the Bond Trustee and the Security Trustee may or must take such proceedings or steps in accordance with the first and third paragraphs, respectively, of Condition 9.3 and the Bond Trustee will have a claim against the Covered Bond Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount for each Covered Bond of each Series together with accrued interest and any other amount due under the Covered Bonds (other than additional amounts payable under Condition 7 as provided in the Bond Trust Deed in respect of each Covered Bond).

9.3 Enforcement

The Bond Trustee may at any time, at its discretion and without further notice, following service of an Issuer Acceleration Notice (in the case of the Issuer) or, if earlier, following service of a Covered Bond Guarantee Acceleration Notice (in the case of the Covered Bond Guarantor) take such proceedings or other action or step as it may think fit against or in relation to the Issuer and/or the Covered Bond Guarantor, as the case may be, and/or any other person as it may think fit to enforce the provisions of the Bond Trust Deed, the Covered Bonds and the Coupons or any other Programme Document, but it will not be bound to take any such enforcement proceedings or other action or step in relation to the Bond Trust Deed, the Covered Bonds or the Coupons or any other Programme Document unless (i) it has been so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid) or so requested in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid) and (ii) it has been indemnified and/or secured and/or prefunded to its satisfaction.

In exercising any of its powers, trusts, authorities and discretions the Bond Trustee must only have regard to the interests of the Covered Bondholders of all Series equally or, if only applicable to one Series, the Covered Bondholders of the relevant Series, and must not have regard to the interests of any other Secured Creditors.

The Bond Trustee may at any time, following service of a Covered Bond Guarantee Acceleration Notice at its discretion and without further notice, direct the Security Trustee to take such actions, steps or proceedings against the Covered Bond Guarantor and/or any other person as it may think fit to enforce the provisions of the Security Deed or any other Programme Document and may, at any time after the Security has become enforceable, direct the Security Trustee to take such steps as it may think fit to enforce the Security, but it will not be bound to give any such direction and the Security Trustee or the Bond Trustee will not be bound to take any such proceedings, steps or actions unless: (i) the Bond Trustee has been so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid) or so requested in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (with the Covered Bonds of all Series taken together as a single Series and converted into Australian Dollars at the relevant Swap Rate as aforesaid); and (ii) the Bond Trustee has been indemnified and/or secured and/or prefunded to its satisfaction. In exercising any of its powers, trusts, authorities and discretions under this paragraph each of the Bond Trustee and the Security Trustee must only have regard to the interests of the Covered Bondholders of all Series equally or, if only applicable to one Series, the Covered Bondholders of the relevant Series, and must not have regard to the interests of any other Secured Creditors.

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

9.4 Directions of Security Trustee by Bond Trustee

The Security Trustee will not be obliged to take any steps under any of the Programme Documents or exercise any of its powers, rights, trusts, authorities, duties, functions or discretions under any of the Programme Documents to which the Security Trustee is a party without first taking instructions from the Bond Trustee (provided that the Security Trustee will never be entitled to seek or receive instructions from the Bond Trustee in relation to clause 21 of the Security Deed or in relation to investing in Authorised Investments) and having been indemnified and/or secured to its satisfaction as aforesaid and provided always that the Security Trustee will not be bound to take any enforcement proceedings which may, in the opinion of the Security Trustee in its absolute discretion, result in the Security Trustee failing to receive any payment to which it is or would be entitled. The Security Trustee may exercise a right, power or discretion without receiving any instructions from the Bond Trustee if the Covered Bondholders or, if there are none, the Security Trustee reasonably believes that it is in the best interests of the Secured Creditors that it does so.

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 must do so (save where expressly provided otherwise), in relation to (i) only, in its absolute discretion subject to and in accordance with these presents or, in relation to both (i) and (ii) if so requested in writing by the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Covered Bonds then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) or directed by an Extraordinary Resolution of the holders of the Covered Bonds then outstanding (with the Covered Bonds of all Series taken together as a single Series and, if the nominal amount of the Covered Bonds is not denominated in Australian Dollars, converted into Australian Dollars at the relevant Swap Rate) subject in each case to the Bond Trustee being indemnified and/or secured and/or prefunded to its satisfaction prior to it giving any instructions to the Security Trustee. The Bond Trustee will be entitled to request the Covered Bondholders (voting as aforesaid) to direct it in relation to any matter in relation to which the Security Trustee has requested instructions, the Bond Trustee will have no obligation to monitor the performance of the Security Trustee and will have no liability to any person for the performance or non-performance of the Security Trustee. In no circumstances will the Bond Trustee be required to indemnify, secure or prefund the Security Trustee.

An Extraordinary Resolution passed at a meeting of Covered Bondholders duly convened and held in accordance with the Bond Trust Deed is binding upon the Security Trustee and all the Secured Creditors whether present or not present at such meeting and each of such Secured Creditors and, subject to the provisions of the Security Deed, the Security Trustee is bound to give effect to the Extraordinary Resolution. The Security Trustee is not required to do or omit to do any act if, in the opinion of the Security Trustee, this might cause it to breach a law, a Programme Document, a fiduciary duty or an obligation owed to another person.

10. MEETINGS OF COVERED BONDHOLDERS, MODIFICATION, WAIVER, SUBSTITUTION AND RATINGS AGENCIES

Covered Bondholders Couponholders and other Secured Creditors should note that the Issuer, the Covered Bond Guarantor and 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 Final Terms or any Pricing Supplement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provisions of law.

10.1 Meetings

The Bond Trust Deed contains provisions for convening meetings 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: (i) a resolution passed at a meeting of the Covered Bondholders duly convened and held in accordance with the Bond Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes cast on such poll; or (ii) a resolution in writing signed by or on behalf of Covered Bondholders holding not less than three-fourths in Principal Amount Outstanding of the Covered Bonds then outstanding, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Covered Bondholders; or (iii) a resolution passed by way of electronic consents given by holders through the relevant clearing system(s) (in a form satisfactory to the Bond Trustee) by or on behalf of the Covered Bondholders of not less than three-fourths in Principal Amount Outstanding for the time being outstanding of the Covered Bonds (of the relevant Series or all Series, as applicable). An Extraordinary Resolution passed at any meeting of the Covered Bondholders of a Series will, subject as provided below, be binding on all the Covered Bondholders of such Series, whether or not they are present at the meeting, and on all Couponholders in respect of such Series of Covered Bonds. Pursuant to the Bond Trust Deed, the Bond Trustee may convene a single meeting of the holders of Covered Bonds of more than one Series if in the opinion of the Bond Trustee there is no conflict between the respective interests of such Covered Bondholders, in which event the provisions of this paragraph will apply thereto *mutatis mutandis*.

Notwithstanding the provisions of the immediately preceding paragraph, any Extraordinary Resolution to direct the Bond Trustee to accelerate the Covered Bonds pursuant to Condition 9.1 or to give a Covered Bond Guarantee Acceleration Notice pursuant to Condition 9.2 or to direct the Bond Trustee or the Security Trustee or to direct the Bond Trustee to direct the Security Trustee to take any enforcement action or to direct the Bond Trustee to determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such for the purposes of the Bond Trust Deed (each a **Programme Resolution**) and will only be capable of being passed at a single meeting of the Covered Bondholders of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer, the Covered Bond Guarantor or the Bond Trustee or by the Covered Bondholders of any Series. The quorum at any such meeting for passing a Programme Resolution is one or more persons holding or representing 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 Swap Rate.

10.2 Modification and waiver

The Bond Trustee may, without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders and without the consent or sanction of the other Secured Creditors (other than any Secured Creditor who is party to the relevant document), at any time and from time to time, concur with the Issuer, the Covered Bond Guarantor (acting on the directions of the Trust Manager) or any other party and/or direct the Security Trustee to concur with the Issuer, the Covered Bond Guarantor (acting on the directions of the Trust Manager) or any other party in making:

(i) any modification (other than in relation to a Series Reserved Matter) to the Covered Bonds of one or more Series, the related Coupons or any Programme Document which in the opinion of the Bond Trustee is not materially prejudicial to the interests of the Covered Bondholders of any Series;

(ii) any modification to the Covered Bonds of one or more Series, the related Coupons or any Programme Document which is in the opinion of the Bond Trustee is (A) of a formal, minor or technical nature, (B) made to correct a manifest error or (C) made to comply with mandatory provisions of law (and for the purpose of this item (C), the Bond Trustee may disregard whether any such modification relates to a Series Reserved Matter).

In forming its opinion as to whether the Covered Bonds or any one or more Series, the related Coupons or any Programme Document is subject to a manifest error, the Bond Trustee may have regard to any evidence which it considers reasonably to rely on (including a certificate from the Issuer as to certain matters and a Rating Affirmation Notice issued by the Issuer).

Notwithstanding the above or the below the Bond Trustee will not be obliged to agree to any amendment, which, in the sole opinion of the Bond Trustee, would have the effect of: (x) exposing the Bond Trustee, to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (y) increasing the obligations or duties, or decreasing the protections, of the Bond Trustee, in the Programme Documents and/or the Conditions.

The Bond Trustee may without the consent or sanction of any of the Covered Bondholders of any Series, the related Couponholders and without the consent of any other Secured Creditor and without prejudice to its rights in respect of any subsequent breach, Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default from time to time and at any time but only if in so far as in its opinion the interests of the Covered Bondholders of any Series will not be materially prejudiced thereby, waive or authorise, or direct the Security Trustee to waive or authorise, any breach or proposed breach by the Issuer or the Covered Bond Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Programme Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such for the purposes of the Bond Trust Deed, PROVIDED ALWAYS THAT the Bond Trustee must not exercise any powers conferred on it in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 9.1 or 9.2 but so that no such direction or request will affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Bond Trustee may determine, will be binding on the Covered Bondholders, the related Couponholders and, if, but only if, the Bond Trustee requires, must be notified by the Issuer or the Trust Manager (on behalf of the Covered Bond Guarantor) (as the case may be) to the Covered Bondholders in accordance with Condition 12 and each Rating Agency as soon as practicable thereafter.

Subject to as provided below, the Bond Trustee will be bound to waive or authorise, or direct the Security Trustee to waive or authorise, any breach or proposed breach by the Issuer or the Covered Bond Guarantor or any other person of any of the covenants or provisions contained in the Bond Trust Deed, the other Programme Documents or the Conditions or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such for the purposes of the Bond Trust Deed if it is: (i) in the case of such waiver or authorisation, (a) so directed by an Extraordinary Resolution of the Covered Bondholders of the relevant one or more Series (with the Covered Bonds of all such Series taken together as a single Series in the circumstances provided in the Bond Trust Deed and, if applicable, converted into Australian Dollars at the relevant Swap Rate); or (b) requested to do so in writing by the holders of not less than 25 per cent. of the Principal Amount Outstanding of the Covered Bonds of the relevant one or more Series (with the Covered Bonds of all such Series taken together as a single Series in the circumstances provided in the Bond Trust Deed and, if applicable, converted into Australian Dollars at the relevant Swap Rate); or (ii), in the case of any such determination, (a) so directed by an Extraordinary Resolution of the Covered Bondholders of all Series then outstanding with the Covered Bonds of all Series taken together as a single Series and, if applicable, converted into Australian Dollars at the relevant Swap Rate); or (b) requested to do so in writing by the holders of not less than 25 per cent. of the Principal Amount Outstanding of the Covered Bonds of all Series then outstanding with the Covered Bonds of all Series taken together as a single Series and, if applicable, converted into Australian Dollars as aforesaid), and at all times then only if it is indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

The Security Trustee may, without the consent of the Covered Bondholders and/or Couponholders of any Series and without the consent of the other Secured Creditors and without prejudice to their rights in respect of any subsequent breach, Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default from time to time and at any time, but only if (for so long as any Covered Bonds are outstanding) it is instructed by the Bond Trustee in accordance with the Bond Trust Deed or (if no Covered Bonds are outstanding) it is instructed by the Majority Secured Creditors, authorise or waive any breach or proposed breach of any of the covenants or provisions contained in the Covered Bonds of any Series or any Programme Document or determine that any Issuer Event of Default, Potential Issuer Event of Default, Covered Bond Guarantor Event of Default or Potential Covered Bond Guarantor Event of Default will not be treated as such for the purposes of the Security Deed. Any such authorisation, waiver or determination will be binding on the Covered Bondholders and/or Couponholders and the other Secured Creditors and, unless the Bond Trustee otherwise agrees, must be notified by the Issuer or the Covered Bond Guarantor (acting on the directions of the Trust Manager) (as the case may be) to the Covered Bondholders in accordance with Condition 12 and each Rating Agency as soon as practicable thereafter.

Any such modification, waiver, authorisation or determination will be binding on all the Covered Bondholders of all Series of Covered Bonds for the time being outstanding, the 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 12 and to the Rating Agencies as soon as practicable thereafter.

Where in connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Bond Trustee and the Security Trustee are required to have regard to the general interests of the Covered Bondholders of each Series as a class (but must not have regard to any interests arising from circumstances particular to individual Covered Bondholders or Couponholders whatever their number) and, in particular but without limitation, must not have regard to the consequences of any such exercise for individual Covered Bondholders, the related Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Bond Trustee and the Security Trustee will not be entitled to require, nor will any Covered Bondholder or Couponholder be entitled to claim, from the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Covered Bondholders and/or Couponholders, except to the extent already provided for in Condition 7 and/or in any undertaking or covenant given in addition to, or in substitution for, Condition 7 pursuant to the Bond Trust Deed.

The Bond Trustee and Security Trustee must concur in and effect any modifications to the Programme Documents that are requested by the Issuer, the Covered Bond Guarantor or the Trust Manager to (a) accommodate the accession of a new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Agent or new Cover Pool Monitor to the Programme provided that (i) each of the Swap Providers provide written confirmation to the Security Trustee and the Bond Trustee consenting to such modification of those documents to which they are a party (such consent not to be unreasonably withheld); (ii) the Trust Manager has certified to the Security Trustee and the Bond Trustee in writing that such modifications are required in order to accommodate the addition of the new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Agent or new Cover Pool Monitor to the Programme; (iii) the Trust Manager has certified to the Security Trustee and the Bond Trustee that all other conditions precedent to the accession of the new Servicer, new Swap Provider, new Trust Manager, new Account Bank, new Agent or new Cover Pool Monitor to the Programme set out in the Programme Documents have been satisfied at the time of the accession; (b) take into account any changes in the covered bonds ratings criteria of the Rating Agencies where, absent such modifications, the Issuer is reasonably satisfied following discussions with the relevant Rating Agency (and has provided a certificate in writing to the Bond Trustee and the Security Trustee to that effect) that the rating assigned by the relevant Rating Agency to one or more Series of Covered Bonds may be subject to a downgrade, qualification or withdrawal and even if such changes are, or may be, prejudicial or materially prejudicial to the interests of the Covered Bondholders of any Series; (c) allow a Swap Provider to transfer securities as Swap Collateral under a relevant Swap Agreement Credit Support Annex, including to appoint a custodian to hold such securities in a custody account pursuant to a custody agreement; (d) ensure compliance of the Programme or the Issuer, as applicable, with, or ensure that the Issuer may benefit from, any existing, new or amended legislation, regulation, directive, prudential standard or prudential

guidance note of any regulatory body (including APRA) in relation to covered bonds provided that the Trust Manager has certified to the Bond Trustee and the Security Trustee in writing that such modifications are required in order to comply with or benefit from such legislation, regulation, directive, prudential standard or prudential guidance note, as the case may be; (e) effect any Benchmark Amendments or BBSW Rate Amendments in the circumstances and as otherwise set out in Conditions 4.7(c) and 4.2(k), respectively, without the consent of the Covered Bondholders or the Couponholders; or (f) take into account any new covered bonds ratings criteria of the Rating Agencies, or any changes or updates to, or any replacement of, the covered bonds ratings criteria of the Rating Agencies (including, without limitation, any manner in which a Rating Agency applies or construes any then existing covered bonds ratings criteria), subject to receipt by the Bond Trustee and the Security Trustee of a Rating Affirmation Notice from the Issuer and receipt by the Bond Trustee and the Security Trustee of a certificate signed by two Authorised Signatories of the Issuer or the Trust Manager each certifying to the Bond Trustee and the Security Trustee that such modifications are required in order to take into account, apply or construe any such new covered bonds ratings criteria of the Rating Agencies, or any such changes or updates to, any replacement of, or any application or construction of the covered bonds ratings criteria of the Rating Agencies.

In addition, the Bond Trustee shall, at the direction and expense of the Issuer, and having received a certificate from the Issuer, signed by one Authorised Signatory of the Issuer, confirming that the Issuer has made the relevant determinations in accordance with Condition 4.2(k)(3) and specifying the proposed BBSW Rate Amendments, be obliged to concur, and shall be obliged to direct the Security Trustee to concur, with the Issuer in effecting any BBSW Rate Amendments in the circumstances and as otherwise set out in Condition 4.2(k)(3) without the consent of the Covered Bondholders and the Bond Trustee shall not be liable to any person for any consequences thereof. The reference in the second paragraph of Condition 10.2 to meetings of the Covered Bondholders shall not apply to BBSW Rate Amendments made pursuant to Condition 4.2(k)(3), which, in each case, shall be made without Covered Bondholders' consent as specified therein. The Bond Trustee shall not be obliged to agree to any BBSW Rate Amendments which in the sole opinion of the Bond Trustee would have the effect of: (a) exposing the Bond Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or (b) increasing the obligations or duties, or decreasing the rights or protection, of the Bond Trustee in the Programme Documents and/or these Conditions.

10.3 Substitution

The Bond Trust Deed provides that in connection with any scheme of amalgamation or reconstruction of the Issuer not involving the bankruptcy or insolvency of the Issuer and (A) where the Issuer does not survive the amalgamation or reconstruction or (B) where all or substantially all of the assets and business of the Issuer will be disposed of to, or succeeded to, by another entity (whether by operation of law or otherwise), the Bond Trustee will, if requested by the Issuer, be obliged, without the consent or sanction of the Covered Bondholders or Couponholders, at any time to agree to the substitution in the place of the Issuer (or of the previous substitute) as principal debtor under the Bond Trust Deed (the **Substituted Debtor**) being the entity with and into which the Issuer amalgamates or the entity to which all or substantially all of the business and assets of the Issuer is transferred, or succeeded to, pursuant to such scheme of amalgamation or reconstruction (whether by operation of law or otherwise), subject to:

(i) the Substituted Debtor entering into a supplemental trust deed or some other form of undertaking in form and manner satisfactory to the Bond Trustee agreeing to be bound by the Bond Trust Deed with any consequential amendments which the Bond Trustee may deem appropriate as fully as if the Substituted Debtor had been named in the Bond Trust Deed as principal debtor in place of the Issuer;

(ii) the Substituted Debtor acquiring or succeeding to pursuant to such scheme of amalgamation or reconstruction all or substantially all of the assets and business of the Issuer;

(iii) each stock exchange or market on which the Covered Bonds are listed confirming in writing that following the proposed substitution of the Substituted Debtor the Covered Bonds will continue to be listed on such stock exchange or market;

(iv) the supplemental trust deed containing a warranty and representation by the Substituted Debtor that (A) the Substituted Debtor has obtained all necessary governmental and regulatory approvals and consents necessary for or in connection with the assumption by the Substituted

Debtor of liability as principal debtor in respect of, and of its obligations under, the supplemental trust deed and the Covered Bonds; (B) such approvals and consents are at the time of substitution in full force and effect; and (C) the obligations assumed by the Substituted Debtor under the supplemental trust deed are legal, valid and binding in accordance with their respective terms;

(v) confirmations being received by the Bond Trustee from each Rating Agency that the substitution will not adversely affect the then current rating of the Covered Bonds;

(vi) where the Substituted Debtor is incorporated, domiciled or resident in, or subject generally to the taxing jurisdiction of a territory other than or in addition to Australia, undertakings or covenants in form and manner satisfactory to the Bond Trustee being given by the Substituted Debtor in terms corresponding to the provisions of Condition 7 with the substitution for (or, as the case may be, the addition to) the references to Australia of references to that other or additional territory in which the Substituted Debtor is incorporated, domiciled or resident or to whose taxing jurisdiction it is subject and (where applicable) Condition 5.2 being modified accordingly;

(vii) without prejudice to the rights of reliance of the Bond Trustee under the immediately following paragraph, the Bond Trustee being satisfied that the relevant transaction is not materially prejudicial to the interests of the Covered Bondholders;

(viii) if two directors of the Substituted Debtor (or other officer acceptable to the Bond Trustee) certifying that the Substituted Debtor is solvent both at the time at which the relevant transaction is proposed to be effected and immediately thereafter (which certificate the Bond Trustee may rely on absolutely without liability to any person) and the Bond Trustee must not have regard to the financial condition, profits or prospects of the Substituted Debtor or compare the same with those of the Issuer;

(ix) the Issuer and the Trust Manager, delivering to the Bond Trustee legal opinions obtained from lawyers of international repute in (a) England and Wales and (b) the jurisdiction of incorporation of the Substituted Debtor in form and substance satisfactory to the Bond Trustee; and

(x) the Covered Bond Guarantee remaining in place or being modified to apply *mutatis mutandis* and continuing in full force and effect in relation to any Substituted Debtor.

Any such supplemental trust deed or undertaking will, if so expressed, operate to release the Issuer or in either case the previous substitute as aforesaid from all of its obligations as principal debtor under the Bond Trust Deed.

In addition, subject as further provided in the Bond Trust Deed, the Bond Trustee may without the consent or sanction of the Covered Bondholders or Couponholders at any time agree to the substitution in place of the Issuer (or any previous substitute under this Condition 10.3) as the principal debtor under the Covered Bonds, Coupons and the Bond Trust Deed or any other corporation subject to certain other conditions set out in the Bond Trust Deed being complied with.

Any substitution pursuant to this Condition 10.3 will be binding on the Covered Bondholders and must be notified in a form previously approved by the Bond Trustee by the new Issuer to the Covered Bondholders not later than 14 days after any such substitution in accordance with Condition 12.

10.4 Rating Agencies

If:

(i) a confirmation or affirmation of rating or other response by a Rating Agency is a condition to any action or step under any Programme Document; and

(ii) the Issuer has delivered to the Covered Bond Guarantor (copied to the Seller and each Rating Agency) written confirmation that it has notified the Rating Agencies of the action or step and that the Trust Manager is satisfied, following discussions with the Rating Agencies, that the action or step, as applicable, will not result in a reduction, qualification or withdrawal of the

ratings then assigned by the Rating Agencies and the Rating Agency does not consider such confirmation necessary,

the parties will be entitled to assume that the then current rating of the Covered Bonds from that Rating Agency will not be downgraded, qualified or withdrawn by such Rating Agency as a result of such action or step.

The Bond Trustee will be entitled to treat as conclusive a certificate signed by an Authorised Officer of the Issuer or the Covered Bond Guarantor as to any matter referred to in paragraph (ii) above and the Bond Trustee will not be responsible for any Liability that may be caused as a result.

For the purposes of this Condition 10:

Potential Issuer Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Issuer Event of Default;

Potential Covered Bond Guarantor Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Covered Bond Guarantor Event of Default; and

Series Reserved Matter in relation to Covered Bonds of a Series means any proposal:

(i) to amend the dates of maturity or redemption of the Covered Bonds, or any date for payment of interest or Interest Amounts on the Covered Bonds or the obligation of the Issuer to pay additional amounts pursuant to Condition 7, (ii) to reduce or cancel the Principal Amount Outstanding of, or any premium payable on redemption of, the Covered Bonds, (iii) to reduce the rate or rates of interest in respect of the Covered Bonds or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Covered Bonds (other than any variation arising from the occurrence of a Benchmark Event or otherwise by the discontinuation of any interest rate benchmark used to determine the amount of any payment in respect of the Covered Bonds (including any Benchmark Amendment)), (iv) if a Minimum and/or a Maximum Rate of Interest, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount is set out in the applicable Final Terms, to reduce any such amount, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or Specified Denomination of the Covered Bonds, (vii) to take any steps that as specified in the applicable Final Terms may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Covered Bondholders or the majority required to pass the Extraordinary Resolution, (ix) to amend the Covered Bond Guarantee or the Security Deed (other than any amendment that the Bond Trustee may consent to without the consent of the Covered Bondholders under the Bond Trust Deed); and (x) to alter this proviso or the quorum requirements for an adjourned meeting of Covered Bondholders for the transaction of business comprising any Series Reserved Matter or the alteration of this definition.

11. REPLACEMENT OF COVERED BONDS, COUPONS AND TALONS AND EXCHANGE OF TALONS

Should any Covered Bond, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced subject to applicable laws, regulations and listing authority, stock exchange and/or quotation system regulations at the specified office of the Principal Paying Agent in London (in the case of Bearer Covered Bonds, Coupons or Talons) or the specified office of the Registrar (in the case of Registered Covered Bonds), or any other place approved by the Bond Trustee of which notice has been published in accordance with Condition 12 upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Covered Bond, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Covered Bonds,

Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Covered Bonds, Coupons or Talons must be surrendered before replacements will be issued.

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Bearer Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 8.

12. NOTICES

All notices regarding the Bearer Covered Bonds will be valid if published in a leading English language daily newspaper of general circulation in London. It is expected that any such newspaper publication will be made in the *Financial Time*s in London. The Issuer must also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Covered Bonds are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers or where published in such newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Bond Trustee may approve.

All notices regarding the Registered Covered Bonds will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Covered Bonds are admitted to trading on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

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, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the Covered Bondholders and, in addition, for so long as any Covered Bonds are listed on a stock exchange or admitted to trading by any other relevant authority and the rules of that stock exchange, or as the case may be, other relevant authority so require, such notice or notices will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice will be deemed to have been given to the Covered Bondholders on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Covered Bondholder must be in writing and given by lodging the same, together (in the case of any Covered Bond in Definitive form) with the relative Covered Bond or Covered Bonds, with the Agent (in the case of the Bearer Covered Bonds) or the 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, Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar, Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

13. FURTHER ISSUES

The Issuer will be at liberty from time to time without the consent of the Covered Bondholders or the Couponholders to create and issue further bonds having terms and conditions the same as the Covered Bonds of any Series or the same in all respects save for the amount and date of the first payment of interest thereon, issue date and/or purchase price and so that the same can be consolidated and form a single Series with, and will be fungible for United States federal tax purposes with, the outstanding Covered Bonds of such Series.

14. INDEMNIFICATION OF THE BOND TRUSTEE AND THE SECURITY TRUSTEE AND THE BOND TRUSTEE AND SECURITY TRUSTEE CONTRACTING WITH THE ISSUER AND/OR THE COVERED BOND GUARANTOR

If, in connection with the exercise of its powers, trusts, authorities or discretions the Bond Trustee is of the opinion that the interests of the Covered Bondholders of any one or more Series would be materially prejudiced thereby, the Bond Trustee must not exercise such power, trust, authority or discretion without the approval of such Covered Bondholders of the relevant Series by Extraordinary Resolution or by a direction in writing of such Covered Bondholders of at least 25 per cent. of the Principal Amount Outstanding of Covered Bonds of the relevant Series then outstanding or as otherwise required under the Programme Documents.

The Bond Trust Deed and the Security Deed contain provisions for the indemnification of the Bond Trustee and the Security Trustee and for their relief from responsibility, including provisions relieving them from taking any action unless indemnified and/or secured and/or prefunded to their satisfaction.

The Bond Trust Deed and the Security Deed also contain provisions pursuant to which each of the Bond Trustee and Security Trustee, respectively, is entitled, inter alia: (i) to enter into business transactions with the Issuer, the Covered Bond Guarantor and/or any of their respective Subsidiaries and affiliates and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, the Covered Bond Guarantor and/or any of their respective Subsidiaries and affiliates; (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Covered Bondholders or Couponholders or the other Secured Creditors and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

Neither the Bond Trustee nor the Security Trustee will be responsible for any loss, expense or liability which may be suffered as a result of any Mortgage Loan Rights or any Charged Property, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons whether or not on behalf of the Bond Trustee and/or the Security Trustee. Neither the Bond Trustee nor the Security Trustee will be responsible for inter alia: (i) supervising the performance by the Issuer or any other party to the Programme Documents or, in relation to Condition 4.7, any Independent Adviser, of their respective obligations under the Programme Documents and the Bond Trustee and the Security Trustee will be entitled to assume, until they each have written notice to the contrary, that all such persons are properly performing their duties; (ii) considering the basis on which approvals or consents are granted by the Issuer or any other party to the Programme Documents under the Programme Documents; (iii) monitoring the Mortgage Loan Rights forming part of the Assets of the Trust, including whether the Asset Coverage Test is satisfied or otherwise or the Amortisation Test is satisfied or otherwise; (iv) monitoring whether Mortgage Loans are Eligible Mortgage Loans or (v) monitoring whether the Issuer is in breach of the Pre-Maturity Test. Neither the Bond Trustee nor the Security Trustee will be liable to any Covered Bondholder or other Secured Creditor for (a) any failure to make or to cause to be made on their behalf the searches, investigations and enquiries which would normally be made by a prudent secured creditor in relation to the Security and have no responsibility in relation to the legality, validity, sufficiency and enforceability of the Security and the Programme Documents, or (b) in relation to Condition 4.7, the acts or omissions of any Independent Adviser.

The Bond Trustee may refrain from taking any action or exercising any right, power, authority or discretion vested in it relating to the transactions contemplated in the Programme Documents until it has been indemnified and/or secured and/or prefunded to its satisfaction against any and all actions, charges, claims, costs, damages, demands, expenses, liabilities, losses and proceedings which might be sustained by it as a result and will not be required to do anything which may cause it to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights, powers, authorities or discretions if it has reasonable grounds for believing that repayment of such funds or adequate indemnity, security or prefunding against such liability is not assured to it.

15. LIMITED RECOURSE AND NON-PETITION

15.1 Only the Security Trustee may pursue the remedies available under the general law or under the Security Deed to enforce the Security and no Transaction Party will be entitled to proceed directly against the Covered Bond Guarantor to enforce the Security. In particular, each Transaction Party (other than the Covered Bond Guarantor and the Security Trustee) has agreed with and acknowledges to each of the Covered Bond Guarantor and the Security Trustee, and the Security Trustee agreed with and acknowledged to the Covered Bond Guarantor, that:

(a) none of the Transaction Parties (nor any person on their behalf, other than the Security Trustee where appropriate) is entitled, otherwise than as permitted by the Programme Documents, to direct the Security Trustee to enforce the Security or take any proceedings against the Covered Bond Guarantor to enforce the Security;

(b) none of the Transaction Parties (other than the Security Trustee) will have the right to take or join any person in taking any steps against the Covered Bond Guarantor for the purpose of obtaining payment of any amount due from the Covered Bond Guarantor to any of such Transaction Parties;

(c) until the date falling two years after the Vesting Date none of the Transaction Parties nor any person on their behalf may initiate or join any person in initiating an Insolvency Event in relation to the Trust other than a Receiver appointed under clause 15 of the Security Deed; and

(d) none of the Transaction Parties is entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Priorities of Payments not being complied with.

15.2 The Covered Bondholders agree with and acknowledge to each of the Covered Bond Guarantor and the Security Trustee, and the Security Trustee has agreed with and acknowledged to the Covered Bond Guarantor, that notwithstanding any other provision of any Programme Document, all obligations of the Covered Bond Guarantor to such party including, without limitation, the Secured Obligations, are limited in recourse to the Covered Bond Guarantor as set out below:

(a) it will have a claim only in respect of the Charged Property and will not have any claim, by operation of law or otherwise, against, or recourse to, any of the Covered Bond Guarantor's other assets;

(b) sums payable to each party in terms of the Covered Bond Guarantor's obligations to such party will be limited to the lesser of (a) the aggregate amount of all sums due and payable to such party and (b) the aggregate amounts received, realised or otherwise recovered and immediately available for payment by or for the account of the Covered Bond Guarantor in respect of the Charged Property whether pursuant to enforcement of the Security or otherwise, net of any sums which are payable by the Covered Bond Guarantor in accordance with the Priorities of Payments in priority to or *pari passu* with sums payable to such party; and

(c) upon the Security Trustee giving written notice to the relevant party that it has determined in its opinion, and the Servicer having certified to the Security Trustee, that there is no reasonable likelihood of there being any further realisations in respect of the Charged Property (whether arising from an enforcement of the Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Programme Document, the relevant party will have no further claim against the Covered Bond Guarantor in respect of any such unpaid amounts and the obligations to pay such unpaid amounts will be discharged in full,

save that this limitation will not apply to a liability of the Covered Bond Guarantor to the extent it results from the Covered Bond Guarantor's fraud, negligence or wilful default.

15.3 The Covered Bondholders agree with and acknowledge to the Security Trustee that the Security Trustee enters into each Programme Document to which it is a party only in its capacity as trustee of the Security Trust and in no other capacity and that the Security Trustee will have no liability under or in connection with this deed or any other Programme Document (whether to the Secured Creditors, the Covered Bond Guarantor or any other person) other than to the extent to which the liability is able to be satisfied out of the property of the Security Trust from which the Security Trustee is actually indemnified for the liability.

This limitation will not apply to a liability of the Security Trustee to the extent it results from the Security Trustee's fraud, negligence or wilful default.

15.4 To the extent permitted by law, no recourse under any obligation, covenant, or agreement of any person contained in the Programme Documents may be had against any shareholder, officer, agent or director of such person as such, by the enforcement of any assessment or by any legal proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that the Programme Documents are corporate obligations of each person expressed to be a party thereto and no personal liability will attach to or be incurred by the shareholders, officers, agents or directors of such person as such, or any of them, under or by reason of any of the obligations, covenants or agreements of such person contained in the Programme Documents, or implied therefrom, and that any and all personal liability for breaches by such person of any of such obligations, covenants or agreements, either under any applicable law or by statute or constitution, of every such shareholder, officer, agent or director is expressly waived by each person expressed to be a party thereto as a condition of and consideration for execution of the Programme Documents.

16. DISAPPLICATION OF CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of any Covered Bond but this does not affect any right or remedy of any person which exists or is available apart from that Act.

17. GOVERNING LAW

The Bond Trust Deed (including the Covered Bond Guarantee), the Principal Agency Agreement, the Covered Bonds, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law unless specifically stated to the contrary (in this regard, the covenant to pay made by the Issuer to the Bond Trustee in respect of the Covered Bonds, (but only, in respect of such provisions, to the extent that they relate to any A$ Registered Covered Bonds) in the Bond Trust Deed, the provisions relating to the issuance of A$ Registered Covered Bonds and the maintenance of the A$ Register in respect of the A$ Registered Covered Bonds in the Bond Trust Deed and the provisions relating to limiting recourse to the Covered Bond Guarantor and the Security Trustee in the Bond Trust Deed, the Principal Agency Agreement and the A$ Registered Covered Bonds are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia).

18. JURISDICTION

18.1 Each of the Issuer and the Covered Bond Guarantor hereby irrevocably submits to the jurisdiction of the English courts in any action or proceeding arising out of or related to the Covered Bonds. The courts of England and (in the case of any action involving the Issuer or the Covered Bond Guarantor) the Commonwealth of Australia are to have jurisdiction to settle any dispute (including a dispute relating to any non-contractual obligations arising out of or in connection with the Covered Bonds), and each party hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined by such courts. Each party hereby irrevocably waives, to the fullest extent it may possibly do so, any defence or claim that the English or the Commonwealth of Australia courts (as applicable) are an inconvenient forum for the maintenance or hearing of such action or proceeding. Each party may take any suit, action or proceeding arising out of or in connection with the Covered Bonds (including any proceedings relating to any non-contractual obligations arising out of or in connection with the Covered Bonds) against any of the Issuer and the Covered Bond Guarantor in any other court of competent jurisdiction and concurrent proceedings in any number of jurisdictions.

18.2 Each of the Issuer and the Covered Bond Guarantor:

(a) agrees that the process by which any proceedings in England are begun may be served on it by delivery to the Chief Executive Officer, United Kingdom being at 60 Ludgate Hill, London EC4M 7AW;

(b) agrees to procure that, so long as any of the Covered Bonds issued or guaranteed by it (as the case may be) remains liable to prescription, there will be in force an appointment of such a person approved by the Bond Trustee with an office in London with authority to accept service as aforesaid;

(c) agrees that a failure by any such person to give notice of such service or process to the Issuer or the Covered Bond Guarantor will not impair the validity of such service or of any judgment based thereon; and

(d) agrees that nothing in these Conditions will affect the right to serve process in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds from each issue of Covered Bonds by the Issuer will be used for the general purposes of the Issuer and its subsidiaries. If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

COMMONWEALTH BANK OF AUSTRALIA

Summary Information

Commonwealth Bank of Australia (the **Bank**) is a public company with an ordinary share capital of A$33,580 million as at 31 December 2025. The Bank is governed by, and operates in accordance with, its Constitution, the Australian Corporations Act and the Listing Rules of the ASX (which constitute the corporate governance regime of Australia), and certain provisions of the Commonwealth Banks Act 1959 of the Commonwealth of Australia. The focus of the Bank is on providing retail and commercial banking services predominantly in Australia, and in New Zealand through its subsidiary ASB. The Bank was incorporated as a public company on 17 April 1991 in the Australian Capital Territory and has Australian Business Number 48 123 123 124. Its registered office is Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000, Australia, telephone number +61 2 9378 2000.

At 31 December 2025, the Bank and its consolidated subsidiaries had total assets of A$1,408,728 million, deposits and other public borrowings of A$982,534 million and total regulatory capital of A$104,261 million. Net profit after income tax including discontinued operations (statutory basis), for the half year ended 31 December 2025, was A$5,367 million.

Business Overview

The Bank, with a full-time equivalent staff (including staff from discontinued operations) of 51,617 at 31 December 2025, is one of the leading banks in Australia. As at 31 March 2026, the Bank was Australia's largest bank in terms of housing loans and retail (household) deposits.[13] The Bank has operations across Australia and New Zealand as well as in Europe, the Americas and Asia.

The Bank conducts its operations primarily through the following business segments:

Retail Banking Services

Retail Banking Services (**RBS**) provides simple, convenient, sustainable and affordable banking products and services to personal and private bank customers, helping them manage their everyday banking needs, buy a home or invest for the future. RBS also includes the financial results of retail banking activities conducted under the Bankwest and Unloan brands.

Business Banking

Business Banking serves the banking needs of business, corporate and agribusiness customers across the full range of financial services solutions. It also provides Australia's leading equities trading and margin lending services through its CommSec business.

Institutional Banking and Markets

Institutional Banking and Markets provides a full range of domestic and global financing and banking services to large corporate, institutional and government clients. These services include debt capital markets, risk management, transaction banking, sustainable finance, structured capital solutions and working capital delivered through dedicated product and industry specialists, as well as tailored research and data analytics.

New Zealand

New Zealand primarily includes the banking and funds management businesses operating under the ASB brand. ASB provides a range of banking, wealth and insurance products and services to its personal, business and rural customers in New Zealand.

Audit Committee

The Bank's Audit Committee consists of Peter Harmer (Chair), Alistair Currie, Julie Galbo, Kate Howitt, Paul O'Malley and Rob Whitfield AM.

[13] *Source: APRA's Monthly Authorised Deposit-taking Institution Statistics March 2026 (issued 30 April 2026) (Tables 2 and 4).*

The Charter of the Audit Committee outlines the roles, responsibilities and composition of the Audit Committee of the Board of the Bank and the manner in which it discharges its responsibilities for the Group, and includes the following:

- the Audit Committee consists of at least three directors, all of whom must be independent non-executive directors of the Bank. Committee members are to be financially literate, and between them, are to have the accounting and financial expertise and sufficient understanding of the financial services industry to fulfil the Committee's responsibilities;

- the Chair of the Audit Committee must not be the Chair of the Board. The Risk & Compliance Committee Chair will be a member of the Audit Committee and the Audit Committee Chair will be a member of the Risk & Compliance Committee, to assist with the flow of relevant information between the two Committees;

- meetings will be held six times per year or more frequently if necessary. The external auditor (the **External Auditor**) and the Group's internal auditor (the **Group Auditor**) are invited to attend all Committee meetings;

- management may attend Committee meetings, at the invitation of the Committee Chair. The Audit Committee will have free and unfettered access to other Board committees, senior management, other employees (including risk and financial control personnel) and external advisors and information, and may make any enquiries necessary to fulfil its responsibilities;

- the Group Auditor has a direct reporting line to the Audit Committee, while maintaining an administrative reporting line to the Group Chief Financial Officer; and

- the Audit Committee may, with the prior approval of the Chair of the Board, where practicable, obtain independent advice at the Bank's expense. This includes by engaging and receiving advice and recommendations from appropriate independent experts. The engagement and any advice received will be independent of management.

The Audit Committee is responsible for:

(a) reviewing significant accounting and financial reporting processes and issues, including reviewing and approving policies relating to external reporting and the provision of financial information for the Group, and changes to the accounting standards and regulatory requirements and their impact on the financial statements of the Group;

(b) reviewing and recommending to the Board for approval the half and full-year financial statements of the Group and any accompanying reports, following discussion with management and the External Auditor. In discharging this responsibility, the Committee will focus on:

  (i) consistency in application of accounting policies and adherence to accounting standards and other reporting requirements;

  (ii) the need for, appropriateness of, and correct disclosure of, any changes made to the Bank's existing accounting policies;

  (iii) the accounting treatment for, and disclosure of, significant, complex or unusual transactions;

  (iv) the appropriateness of significant judgements made by management in preparing the financial statements; and

  (v) whether the Bank's financial statements provide a true and fair view of the financial position and performance of the Bank and the Group;

(c) reviewing the processes and controls that support the opinions provided in the Chief Executive Officer and the Group Chief Financial Officer certifications for the Group's half-year and full-year financial reporting, and management's report on risk management and internal controls over financial reporting processes, including the disclosures made;

(d) overseeing key aspects of the Group's half and full-year investor presentations, including considering the assurances provided by the External Auditor that the financial content of the presentations is consistent with the half-year or full-year audited financial reports;

(e) obtaining assurance over the effectiveness of the processes and controls adopted for the Group's financial reporting obligations to APRA from management and the External Auditor and considering the adequacy of the assurances;

(f) reviewing and recommending to the Board for approval the half and full-year Pillar 3 reports required by APRA;

(g) overseeing and monitoring financial, tax and accounting risks, including matters referred to the Committee by the Risk & Compliance Committee;

(h) reviewing, and recommending to the Board for approval, any sustainability reporting required by the Australian Corporations Act;

(i) overseeing management's design and implementation of the Group's internal control framework and the processes for assessing the effectiveness of the Group's internal controls;

(j) obtaining assurance from management, the Group Auditor and the External Auditor on a periodic basis, and reporting to the Board, on the adequacy and effectiveness of the Group's internal control framework and implementation of that framework;

(k) monitoring the timely resolution of significant internal control deficiencies identified by the Group Auditor, the External Auditor, management or regulators;

(l) providing information to the Risk & Compliance Committee in relation to any significant internal control matter where the control is inadequate or has not operated, or is not operating, as intended, and could have a significant impact on the Group's risk profile, including the Risk Management Framework and risk appetite;

(m) overseeing and monitoring the Group's implementation of controls and systems to support effective entity governance in accordance with the Subsidiary Governance Policy;

(n) approving, on the recommendation of management, the appointment and the removal of the Group Auditor;

(o) approving the Group Audit & Assurance Charter;

(p) approving the Group's annual internal audit plan, as well as any significant changes to it and overseeing progress against it;

(q) receiving regular reports from Group Audit & Assurance on significant audit findings and the timeliness and adequacy of management's responses and progress in resolving the outstanding significant audit findings;

(r) assessing, at least annually, the adequacy, independence, and effectiveness of Group Audit & Assurance (including conformance with The Institute of Internal Auditors' Global Internal Audit Standards) and providing feedback to management. At the Committee's discretion and at least once every three years, obtaining an external assessment on Group Audit & Assurance's adequacy and effectiveness;

(s) reviewing Group Audit & Assurance's balanced scorecard;

(t) recommending the appointment or removal of the External Auditor to the Board for shareholder approval;

(u) approving the annual audit services engagement letter for the External Auditor;

(v) reviewing and recommending to the Board, the rotation of the lead external audit partner of the External Auditor;

(w) reviewing the annual audit plans of the External Auditor;

(x) assessing, at least annually, the performance, adequacy, effectiveness and independence of the External Auditor, including against any auditor independence requirements arising under legal, regulatory or accounting requirements or the Group's policies;

(y) reviewing the half-year review and annual audit reports over the Group financial statements and other internal controls and regulatory reports issued by the External Auditor, assessing the findings and recommendations, and seeking confirmation that management has responded appropriately to the findings and recommendations;

(z) approving the Group External Auditor Services Policy (the **Policy**), and reviewing reports, including the engagement fees for audit and non-audit services, from management and the External Auditor on compliance with the Policy;

(aa) reviewing and recommending to the Board for approval the disclosure relating to the provision of non-audit services provided by the External Auditor (including whether the provision of non-audit services is compatible with auditor independence requirements) for inclusion in the annual report;

(bb) reviewing the results of the annual review conducted by the Group Auditor and/or the External Auditor, of compliance with, and the adequacy and effectiveness of, the Risk Management Framework;

(cc) reviewing and recommending the Group Whistleblower Policy to the Board for approval, and reviewing management reports on significant whistleblower and other misconduct investigations (including into Code of Conduct breaches), trends, insights and operational matters;

(dd) considering any significant issues raised at audit committee meetings of regulated offshore operations. Regulated offshore operations means operations of the Group subject to remuneration governance requirements under the jurisdiction in which those operations are conducted; and

(ee) considering, and reporting to the People & Remuneration Committee, any financial and/or internal control matter relevant to the determination of variable remuneration outcomes for the Chief Executive Officer and the Chief Executive Officer's direct reports.

Directors of Commonwealth Bank of Australia

The Board of the Bank consists of ten directors including the Chair (who is an independent non-executive director), one executive director (the Chief Executive Officer (**CEO**)) and eight other independent non-executive directors with wide financial and commercial knowledge and experience (the **Board**). The Board has guidelines and procedures in place to identify, disclose and manage conflicts of interest, including between directors' duties to the Bank and their private interests or other duties. These guidelines and procedures provide that a director with an interest in a matter being considered by the Board or one of its Committees will not usually receive papers dealing with the matter and will not usually be present during the discussion or decision on that matter. Accordingly, there are no disclosed conflicts of interest between the private interests or other duties of the directors and their duties to the Bank which are not managed in accordance with these guidelines and procedures. The business address of the directors of the Bank is Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000, Australia.

The members of the Board are:

Paul O'Malley, Chair of the Board and Independent Non-Executive Director

Paul has been a Non-Executive Director since January 2019 and Chair since 10 August 2022.

Paul has broad executive leadership and operational experience. He served as Managing Director and Chief Executive Officer of BlueScope Steel Ltd for 10 years, after joining the company as Chief Financial Officer. Previously, Paul was the Chief Executive Officer of TXU Energy, a subsidiary of TXU Corp based in Dallas, Texas. He also has a strong background in finance and accounting and worked in investment banking and audit. Paul is a former Director of the Worldsteel Association, Chair of its Nominating Committee, and Trustee of the Melbourne Cricket Ground Trust. Paul was a former Non-Executive Director of Coles Group Limited.

Committees: Nominations Committee (Chair), Audit Committee, People & Remuneration Committee and Risk & Compliance Committee.

Other Directorships and Interests: Nil.

Qualifications: BCom, M.App Finance, ACA.

Matt Comyn, Managing Director and CEO

Matt has been the CEO and Managing Director since 9 April 2018.

Matt has over 25 years' experience in banking across business, institutional, retail and wealth management and has held a number of senior leadership roles since joining the Bank in 2000.

As CEO, Matt is focused on delivering global best digital experiences for customers, underpinned by strong risk management and a strong commitment to customer service.

From 2012 until his appointment as CEO, Matt was Group Executive Retail Banking Services, the Bank's largest operating division, which accounts for more than half of the Bank's profit and also leads the development of digital products and services for the Bank. Between 2006 and 2010, Matt was Managing Director of the Bank's biggest digital business, CommSec, overseeing a significant modernisation of its technology platform and growing market share and profitability.

Other Directorships and Interests: Director of Business Council of Australia and Financial Markets Foundation for Children.

Committees: Nil.

Qualifications: BAv (UNSW), MCom (UNSW), EMBA (USyd), GMP (HBS).

Lyn Cobley AM, Independent Non-Executive Director

Lyn has been a Non-Executive Director since 1 October 2022.

Lyn brings over 35 years of experience across banking and financial services, biotech and higher education in both executive and board-level roles. In her executive career, Lyn has served as CEO of Westpac Institutional Bank, Chair of Westpac Asia Advisory Board, Group Treasurer of Commonwealth Bank of Australia and held senior roles at Barclays Capital and Citibank Limited.

Lyn has strong experience in strategy and leadership, people and culture matters, transformation, technology, and navigating the complexity in regulated industries. She also has experience with sustainability and climate action in the financial services sector and was a Trustee Board member of the Westpac Foundation.

Committees: People & Remuneration Committee, Risk & Compliance Committee and Nominations Committee.

Other Directorships and Interests: Director of Mesoblast Limited, a Member of Chief Executive Women, and Deputy Chancellor of the Macquarie University Council. Lyn is a former Director of the Australian Financial Markets Association.

Qualifications: B.Ec, GAICD, SF Fin.

Alistair Currie, Independent Non-Executive Director

Alistair has been a Non-Executive Director since 31 March 2025.

Alistair has extensive international banking experience, having held roles in Australia, the United Kingdom, the United States, Asia and the Middle East. Alistair is a former Group Chief Operating Officer of Barclays PLC and he has previously served in senior roles at ANZ Banking Group Limited and at HSBC where he held a variety of international banking roles.

Alistair has over 30 years of banking experience in the institutional, large corporate, mid-corporate and consumer client segments, transaction banking, trade finance, as well as technology and operations.

Committees: Audit Committee and Risk & Compliance Committee.

Other Directorships and Interests: Non-Executive Director of ASB Bank, and a member of its Risk & Compliance Committee and Audit Committee.

Qualifications: BSc (Design and Technology), MSc (Management).

Julie Galbo, Independent Non-Executive Director

Julie has been a Non-Executive Director since 1 September 2021.

Julie is an experienced financial services professional with substantial banking, strategy, risk and regulatory experience. Julie is Chairperson of the board of each of ETNA Capital and Gro Capital, and a Non-Executive Director of UniCredit SpA, where she serves on the board audit committee. During her executive career Julie held a number of leadership positions with Nordea Bank Abp, including the role of Group Chief Risk Officer, and with the Danish Financial Services Authority, including the role of Deputy Director General, as well as serving on the Management Board of the European Securities and Markets Authority. Julie is the former Chairman of the board of Fundamental Fondsmæglerselskab A/S.

Committees: Audit Committee and Risk & Compliance Committee.

Other Directorships and Interests: Member of faculty of the Board Academy at Copenhagen Business School, a member of the advisory council of the International Association of Credit Portfolio Managers, Senior Advisor to the European Union Global AML/CFT Facility, and Member of Bestyrelsesforeningen (Danish Institute of Company Directors). Julie is a former Non-Executive Director of each of DNB Bank ASA and Trifork AG.

Qualifications: LLM, Executive Management Programme (INSEAD).

Peter Harmer, Independent Non-Executive Director

Peter has been a Non-Executive Director since 1 March 2021.

Peter brings a diversity of thought in the areas of risk, customer perspectives and environmental, social and governance practices. He has significant experience in customer service and innovation within the insurance segment and financial services, and a deep understanding of environmental principles.

Peter was previously Managing Director and Chief Executive Officer of Insurance Australia Group Limited (IAG). Peter joined IAG in 2010 as Chief Executive Officer of CGU Insurance, and held a number of senior roles including Chief Executive of the IAG Labs division where he was responsible for customer experience strategy, product, pricing and marketing, and innovation. During his time at IAG he led initiatives for driving digital innovation across IAG and its brands, and created incubator areas to explore innovative customer solutions across the fintech landscape.

Prior to IAG he was Chief Executive Officer of Aon Limited UK and a member of Aon's Global Executive Committee, after serving as Chief Executive Officer of Aon's Australian, New Zealand and Pacific operations.

Committees: Audit Committee (Chair), Nominations Committee and Risk & Compliance Committee.

Other Directorships and Interests: Chair of AUB Group Limited, Director of nib holdings limited and Lawcover Insurance Pty Limited, and an Advisory Member of the EXL APAC Advisory Council.

Qualifications: Harvard Advanced Management Program.

Kate Howitt, Independent Non-Executive Director

Kate has been a Non-Executive Director since 1 October 2024.

Kate has significant experience in matters relating to strategy, capital allocation, stakeholder management and sustainability. During her executive career, she held senior roles with Fidelity International, AMP Capital, AMP Limited and Boston Consulting Group.

Committees: Audit Committee and People & Remuneration Committee.

Other Directorships and Interests: Member of the Finance & Strategy Committee and Investments Subcommittee of the University of New South Wales, the Investment Committee of the Australian Indigenous Education

Foundation, the Investment Committee of River Capital, a Director of The Hunger Project Australia and Senior Advisor to Boston Consulting Group.

Qualifications: BA, MBA, GAICD.

Jane McAloon AM, Independent Non-Executive Director

Jane has been a Non-Executive Director since 1 October 2025.

Jane brings to the Board over 30 years of business and governance experience. Jane held executive positions with BHP Group Limited where she spent nine years, including two years on the Group Management Committee as President, Governance and Group Company Secretary. Prior to this, Jane was Group Manager, Corporate & External Services and Company Secretary at AGL Energy Limited and held executive leadership roles within the New South Wales Government.

Committees: Nil.

Other Directorships and Interests: Chair of BlueScope Steel Limited, Non-Executive Director of Allianz Australia Limited, Member of the Australian Federal Government's Takeovers Panel and an Independent Member of the Allens Advisory Board.

Qualifications: BEc (Hons), LLB, Grad Dip Corp Gov.

Simon Moutter, Independent Non-Executive Director

Simon has been a Non-Executive Director since 1 September 2020.

Simon has extensive leadership experience in technology, process effectiveness and business strategy. He was Managing Director of Spark New Zealand, where he held this position for seven years until 2019. He is also a former Chief Executive Officer of Auckland International Airport and has previously held senior management roles in telecommunications and energy companies.

Committees: People & Remuneration Committee (Chair) and Risk & Compliance Committee.

Other Directorships and Interests: Chair of Kainga Ora and its subsidiaries Housing New Zealand Limited and Housing New Zealand Build Limited, and Chair of three privately owned businesses – Smart Environmental Group Ltd, Les Mills International Ltd and Designer Wardrobe Ltd, and Non-Executive Director of Arvida Group Limited.

Qualifications: BSc, BE (Hons), ME.

Rob Whitfield AM, Independent Non-Executive Director

Rob has been a Non-Executive Director since 4 September 2017.

Rob has extensive leadership experience across banking, finance and risk in both the private and public sectors. During Rob's 30-year executive career with Westpac Banking Corporation he held a number of senior leadership positions including Chief Executive Officer of the Institutional Bank, Chief Risk Officer, Group Treasurer and Chair of the Asia Advisory Board. In these roles, Rob developed a deep knowledge of equity and capital markets and was instrumental in developing Westpac's risk management function and strategies. Rob is a former Chair and Director of New South Wales Treasury Corporation, former Secretary of NSW Treasury, former Secretary of NSW Industrial Relations, former Deputy Chair of the Australian Financial Markets Association and former Chair of ASIC's panel conducting an Inquiry into Australian Securities Exchange (ASX) group. He is also a former Non-Executive Director of GPT Group.

Committees: Risk & Compliance Committee (Chair), Audit Committee and Nominations Committee.

Other Directorships and Interests: Director of Transurban Group.

Qualifications: BCom, Grad Dip Banking, Grad Dip Fin, AMP, SF Fin, FAICD.

FINANCIAL STATEMENTS OF COMMONWEALTH BANK OF AUSTRALIA

Financial Condition and Operating Results

The following tables set out certain consolidated summary financial data relating to the Group. This data has been extracted without material adjustment from the published consolidated financial statements of the Group for the financial years ended 30 June 2025 and 30 June 2024 and the half years ended 31 December 2025 and 31 December 2024.

As at full year ended 30 June[(1)]

	2025	**2024**
Balance Sheet	*(in millions A$)*	
Lending assets [(2)]	1,007,756	942,210
Total assets	1,353,799	1,254,076
Deposits and other public borrowings	937,857	882,922
Shareholders' equity attributable to Equity holders of the Bank	78,776	73,088
Income Statement		
Net interest income	24,023	22,824
Other operating income [(3)]	4,267	4,097
Operating expenses	(13,015)	(12,337)
Loan impairment (expense) / benefit	(726)	(802)
Net profit before income tax	14,549	13,782
Income tax expense	(4,416)	(4,301)
Net profit attributable to Equity holders of the Bank from continuing operations	10,133	9,481
Net (loss)/profit after income tax from discontinued operations	(17)	(87)
Net profit attributable to Equity holders of the Bank	10,116	9,394

Notes:

(1) As disclosed in the consolidated financial statements of the Group for the financial year ended 30 June 2025 in the 2025 Annual Report of the Bank.

(2) Includes loans, bills discounted and other receivables.

(3) Includes other banking income, net funds management operating income and net insurance operating income.

As at half year ended 31 December[(1)]

	2025	2024
Balance Sheet	*(in millions A$)*	
Lending assets[(2)]	1,040,881	969,404
Total assets	1,408,728	1,308,566
Deposits and other public borrowings	982,534	902,502
Shareholders' equity attributable to Equity holders of the Bank	77,232	75,264
Income Statement		
Net interest income	12,695	11,934
Other operating income[(3)]	2,305	2,164
Operating expenses	(6,916)	(6,372)
Loan impairment (expense)	(319)	(320)
Net profit before income tax	7,765	7,406
Income tax expense	(2,353)	(2,264)
Net (loss) profit after income tax attributable to Equity holders of the Bank from continuing operations	5,412	5,142
Net loss after income tax from discontinued operations	(45)	(8)
Net profit attributable to Equity holders of the Bank	5,367	5,134

Notes:

(1) As disclosed in the consolidated financial statements of the Group for the half year ended 31 December 2025 in the Profit Announcement of the Bank dated 11 February 2026.

(2) Includes loans, bills discounted and other receivables.

(3) Includes other banking income, net funds management operating income and net insurance operating income.

THE CBA COVERED BOND TRUST

The CBA Covered Bond Trust (**Trust**) is a special purpose trust established by the Establishment Deed under the law of New South Wales, Australia on 13 November 2011. Perpetual Corporate Trust Limited is the trustee of the Trust (in such capacity, the Covered Bond Guarantor).

The Covered Bond Guarantor's principal office is at Level 14, 123 Pitt Street, Sydney NSW 2000, Australia. The telephone number of the Covered Bond Guarantor's principal office is +61 2 9229 9000.

The Covered Bond Guarantor is dependent on the Trust Manager and the Servicer (amongst others) to provide certain management and administrative services to it, on the terms of the Establishment Deed and the other Programme Documents.

The principal activities of the Trust are set out in the Establishment Deed and include the acquisition, management and sale of, amongst other things, Mortgage Loan Rights, the borrowing of moneys to fund the acquisition of such assets, the hedging of risks associated with such assets and such funding, the acquisition, management and sale of Substitution Assets and Authorised Investments, the giving of guarantees in respect of the Covered Bonds (including the Covered Bond Guarantee), the granting of security to secure repayment of any Covered Bonds and other liabilities and any purpose which is ancillary or incidental to the activities set out above. The Assets of the Trust comprise principally Mortgage Loan Rights, Substitution Assets, Authorised Investments, Trust Accounts and rights of the Covered Bond Guarantor under the Programme Documents.

The Trust has not engaged since its establishment, and will not engage whilst the Covered Bonds or the Term Advances remain outstanding, in any material activities other than activities incidental to its establishment, activities contemplated under the Programme Documents to which the Covered Bond Guarantor is or will be a party and other matters which are incidental or ancillary to the foregoing.

Unitholders

The Income Unitholder of the Trust as at the date of this Prospectus is the Bank.

The Capital Unitholder of the Trust as at the date of this Prospectus is the Bank.

Covered Bond Guarantor

Perpetual Corporate Trust Limited ABN 99 000 341 533 was incorporated in New South Wales on 27 October 1960 as T.E.A. Nominees (N.S.W.) Ltd 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 Australian Corporations Act. Perpetual Corporate Trust Limited is registered in New South Wales and its registered office is at Level 14, 123 Pitt Street, Sydney NSW 2000, Australia.

Perpetual Corporate Trust Limited 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 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 are listed below. Unless otherwise stated, the business address of each Director is Level 14, 123 Pitt Street Sydney NSW 2000 Australia.

- Phillip Anthony Blackmore, Director;
- Richard Lyn McCarthy, Director;
- Heather Margaret Gale, Director;
- David Diran Manoukian, Director; and

- Wen-Hsien Chin, Alternate Director.

As at the date of this Prospectus, no potential conflicts or conflicts of interest exist between any duties owed to the Covered Bond Guarantor by the members of its Board of Directors listed above and their private interests and/or other duties in respect of their management roles.

As a subsidiary of Perpetual Limited, perceived and actual conflicts of interest for the Covered Bond Guarantor and its Board of Directors are assessed and managed in accordance with the Perpetual Limited Conflicts Management Framework.

Trust Manager

At the date of this Prospectus, the Trust Manager is Securitisation Advisory Services Pty. Limited ABN 88 064 133 946. The registered office of the Trust Manager is Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000, Australia.

Pursuant to the Establishment Deed, the Trust Manager will act as manager of the Trust and will provide certain administrative services required by the Covered Bond Guarantor pursuant to the Programme Documents. As compensation for the performance of the Trust Manager's obligations under the Programme Documents and as reimbursement for its related expenses, the Trust Manager will be entitled to a fee, which will be paid in accordance with the applicable Priority of Payments.

Directors

The directors of Securitisation Advisory Services Pty. Limited, the business address of each of whom should be regarded for the purposes of this Prospectus as being Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000, Australia are as follows:

V. (Victoria) Hickey

Ms. Hickey is the Chief Financial Officer Operations at the Bank.

She is a director of the following other Group companies:

CBA ES Business Services Pty Ltd
Whitecoat Holdings Pty Ltd
Whitecoat Operating Pty Ltd

P. (Pablo) Roa

Mr. Roa is the Executive General Manager Group Finance at the Bank. He is not a director of any other Group companies.

F. (Fergus) Blackstock

Mr. Blackstock is the General Manager, Funding Liquidity and Collateral at the Bank. Effective 5 December 2024, he was appointed as a Director and Chair of the ASB Holdings Limited Board.

As at the date of this Prospectus, no potential conflicts of interest (as evaluated under the Bank's conflicts of interest policy) exist between any duties owed to Securitisation Advisory Services Pty. Limited by the members of its Board of Directors listed above and their private interests and/or other duties in respect of their management roles.

OVERVIEW OF THE PRINCIPAL DOCUMENTS

Bond Trust Deed

The Bond Trust Deed, entered into between the Issuer, the Trust Manager, the Covered Bond Guarantor and the Bond Trustee, is the principal agreement governing the Covered Bonds.

The Bond Trust Deed contains provisions relating to:

(a) the constitution of the Covered Bonds and the terms and conditions of the Covered Bonds (as set out under the section "*Terms and Conditions of the Covered Bonds*" in this Prospectus);

(b) the covenants of the Issuer and the Covered Bond Guarantor;

(c) the terms of the Covered Bond Guarantee (as described below);

(d) the enforcement procedures relating to the Covered Bonds and the Covered Bond Guarantee; and

(e) the appointment, powers and responsibilities of the Bond Trustee and the circumstances in which the Bond Trustee may resign, retire or be removed.

The Bond Trust Deed (other than certain provisions of the Bond Trust Deed under which the Issuer covenants to the Bond Trustee to repay principal and to pay interest in respect of the Covered Bonds (but only, in respect of such provisions, to the extent they relate to any A$ Registered Covered Bonds), certain provisions of the Bond Trust Deed constituting the A$ Registered Covered Bonds and certain provisions of the Bond Trust Deed limiting recourse to the Covered Bond Guarantor and the Security Trustee) and any non-contractual obligations arising out of or in connection with it are governed by English law. Those provisions of the Bond Trust Deed noted above which are not governed by English law, are governed by, and will be construed in accordance with, the laws applying in the State of New South Wales, Australia.

The Covered Bond Guarantee

The Covered Bond Guarantee

The Covered Bond Guarantor has guaranteed to the Bond Trustee, for the benefit of Covered Bondholders, the prompt performance by the Issuer of its obligations to pay the Guaranteed Amounts.

Following the occurrence of an Issuer Event of Default and the service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer (copied to the Covered Bond Guarantor) and a Notice to Pay on the Covered Bond Guarantor (copied to the Trust Manager and the Security Trustee), the Covered Bond Guarantor must, as principal obligor, pay or procure to be paid on each Scheduled Payment Date (or on such later date provided for in the Bond Trust Deed) irrevocably and unconditionally to or to the order of the Bond Trustee (for the benefit of the Covered Bondholders), an amount equal to those Guaranteed Amounts which have become Due for Payment in accordance with the terms of the Bond Trust Deed (or which would have become Due for Payment but for any variation, release or discharge of the Guaranteed Amounts) but which have not been paid by the Issuer to the relevant Covered Bondholder and/or Couponholders on the relevant date for payment, provided that no Notice to Pay may be so served on the Covered Bond Guarantor until an Issuer Acceleration Notice has been served by the Bond Trustee on the Issuer.

Following the occurrence of a Covered Bond Guarantor Event of Default and the service by the Bond Trustee of a Covered Bond Guarantee Acceleration Notice on the Issuer and the Covered Bond Guarantor (copied to the Trust Manager), in respect of the Covered Bonds of each Series which have become immediately due and repayable (or which would have become Due for Payment but for any variation, release or discharge of the Guaranteed Amounts), the Covered Bond Guarantor must, as principal obligor, pay or procure to be paid to or to the order of the Bond Trustee (for the benefit of itself and the Covered Bondholders) in the manner described in the Bond Trust Deed) the Guaranteed Amounts.

Subject to the grace periods specified in Condition 9.2(b) of the Programme Conditions, failure by the Covered Bond Guarantor to pay the Guaranteed Amounts when Due for Payment will constitute a Covered Bond Guarantor Event of Default.

Covered Bond Guarantor not obliged to pay additional amounts

All payments of Guaranteed Amounts by or on behalf of the Covered Bond Guarantor will be made without withholding or deduction for, or on account of, any present or future tax, duties, assessment or other governmental charges of whatever nature, imposed or levied by or on behalf of Australia or any political sub-division thereof or by any authority therein or thereof having power to tax, unless such withholding or deduction is required by law or regulation or administrative practice of any jurisdiction. If any such withholding or deduction is required, the Covered Bond Guarantor must pay the Guaranteed Amounts net of such withholding or deduction and must account to the appropriate Tax Authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any additional amount to the Bond Trustee or any holder of Covered Bonds and/or Coupons in respect of the amount of such withholding or deduction.

See "*Taxation*" for further information.

Guarantor and Covered Bond Guarantor as principal debtor and not merely as surety

The Covered Bond Guarantor has agreed that its obligations under the Covered Bond Guarantee will be:

(a) as if it were principal debtor and not merely as surety or guarantor and will be absolute; and

(b) (following service of an Issuer Acceleration Notice and Notice to Pay or a Covered Bond Guarantee Acceleration Notice) unconditional; and

(c) irrespective of, and unaffected by, any invalidity, irregularity, illegality or unenforceability of, or defect in, any provisions of the Bond Trust Deed or any other Programme Document, or in the absence of any action to enforce the same or the waiver, modification or consent by the Bond Trustee, any of the Covered Bondholders or Couponholders in respect of any provisions of the same or the obtaining of any judgment or decree against the Issuer or any action to enforce the same or any other circumstances which might otherwise constitute a legal or equitable discharge or defence of a guarantor,

and the Covered Bond Guarantee will not be discharged nor shall the liability of the Covered Bond Guarantor under the Bond Trust Deed be affected by any act, thing or omission or means whatsoever whereby its liability would not have been discharged if it had been the principal debtor.

Excess Proceeds

Following the occurrence of an Issuer Event of Default and the delivery of the Issuer Acceleration Notice and Notice to Pay, any Excess Proceeds must be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor, as soon as practicable, and must be held by the Covered Bond Guarantor in the GIC Account, and the Excess Proceeds will thereafter form part of the Charged Property and must be used by the Covered Bond Guarantor in the same manner as all other moneys from time to time standing to the credit of the GIC Account pursuant to the Security Deed and the Establishment Deed. Any Excess Proceeds received by the Bond Trustee and held by it or under its control will discharge *pro tanto* the obligations of the Issuer in respect of the Covered Bonds and Coupons (as applicable and to the extent of the amount so received and subject to restitution of the same if such Excess Proceeds are to be required to be repaid by the Covered Bond Guarantor) (but will be deemed not to have so discharged the Issuer's obligations for the purposes of subrogation rights of the Covered Bond Guarantor contemplated by the Covered Bond Guarantee and the Bond Trust Deed). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration Notice and Notice to Pay or, if earlier, service of a Covered Bond Guarantee Acceleration Notice) unconditional and irrevocable, and the receipt by, or on behalf of, the Bond Trustee of any Excess Proceeds will not reduce or discharge any such obligations.

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

For the avoidance of doubt, any payments by the Covered Bond Guarantor to the Covered Bondholders out of the Excess Proceeds will reduce the Guaranteed Amounts *pro tanto*.

Intercompany Loan Agreement

Under the Intercompany Loan Agreement, the Intercompany Loan Provider has agreed to make available to the Covered Bond Guarantor a multi-currency credit facility under which the Intercompany Loan Provider may make Term Advances to the Covered Bond Guarantor.

On each Issue Date, the Intercompany Loan Provider will make a Term Advance to the Covered Bond Guarantor in an amount equal to either (i) if a Non-Forward Starting Covered Bond Swap is entered into on the relevant Issue Date, the Principal Amount Outstanding on the Issue Date of the relevant Series or, as applicable, Tranche of Covered Bonds in the Specified Currency of the relevant Series or Tranche of Covered Bonds or (ii) if a Forward Starting Covered Bond Swap is entered into on the relevant Issue Date, the Australian Dollar Equivalent of the Principal Amount Outstanding on the Issue Date of the relevant Series or, as applicable, Tranche of Covered Bonds, and for a matching term. The Covered Bond Guarantor may only use the proceeds of the Term Advances received under the Intercompany Loan Agreement from time to time (if not denominated in Australian Dollars, upon exchange into Australian Dollars under the applicable Non-Forward Starting Covered Bond Swap): (i) to fund (in whole or in part) the Consideration for any Mortgage Loan Rights to be acquired from the Seller in accordance with the terms of the Mortgage Sale Agreement; and/or (ii) acting in accordance with the Establishment Deed, to invest in Substitution Assets in an amount not exceeding the prescribed limit, to the extent required to meet the Asset Coverage Test; and thereafter or otherwise the Covered Bond Guarantor may use such proceeds (if not denominated in Australian Dollars, upon exchange into Australian Dollars under the applicable Non-Forward Starting Covered Bond Swap) (subject to complying with the Asset Coverage Test): (A) if an existing Series or Tranche or part of an existing Series or Tranche of Covered Bonds is being refinanced by the issue of a further Series or Tranche of Covered Bonds to which the Term Advance relates, to repay the Term Advance(s) corresponding to the Covered Bonds being so refinanced (after exchange into the currency of the Term Advance(s) being repaid, if necessary); and/or (B) to make a repayment of the Demand Loan, provided that the Trust Manager has determined the outstanding balance of the Demand Loan by calculating the Asset Coverage Test as at the Intercompany Loan Drawdown Date having taken into account such repayment and the Trust Manager has confirmed that the Asset Coverage Test will continue to be met after giving effect to such repayment; and/or (C) subject to the terms of the Establishment Deed, to make a deposit of all or part of the proceeds into the GIC Account (including, without limitation, to fund the Reserve Fund). If the Intercompany Loan Provider is also the Seller, to the extent that the proceeds of a Term Advance are to be applied to the payment of the Consideration for any Mortgage Loan Rights to be acquired from the Seller, the Intercompany Loan Provider may, in satisfaction of its obligation to make the Term Advance in accordance with the Intercompany Loan Agreement on the applicable Intercompany Loan Drawdown Date, set-off the amount of the Term Advance against the Consideration for the relevant Mortgage Loan Rights.

The Issuer will not be relying on repayment of any Term Advance in order to meet its repayment obligations under the Covered Bonds. The Covered Bond Guarantor (acting on the instructions of the Trust Manager) will pay amounts due in respect of Term Advances in accordance with the Intercompany Loan Agreement and the relevant Priority of Payments. Prior to the service of a Notice to Pay on the Covered Bond Guarantor or the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, amounts due in respect of each Term Advance will be paid by the Covered Bond Guarantor to, or as directed by, the Intercompany Loan Provider on each Intercompany Loan Interest Payment Date, subject to paying all higher ranking amounts in the Pre-Acceleration Income Priority of Payments or, as applicable, the Pre-Acceleration Principal Priority of Payments. Any failure by the Covered Bond Guarantor to pay any amounts due on the Term Advances will not affect the liability of the Issuer to pay the relevant amount due on the Covered Bonds.

Any amounts owing by the Intercompany Loan Provider (as Issuer of a particular Tranche or Series of Covered Bonds) to the Covered Bond Guarantor in respect of amounts paid by the Covered Bond Guarantor under the Covered Bond Guarantee in relation to the particular Covered Bonds or the purchase of the particular Covered Bonds by the Covered Bond Guarantor, as applicable, will be set-off automatically (and without any action being required by the Covered Bond Guarantor, the Trust Manager, the Intercompany Loan Provider, the Demand Loan Provider or the Security Trustee) against any amounts payable by the Covered Bond Guarantor under the Intercompany Loan Agreement in relation to the Term Advance corresponding to the relevant Covered Bonds (and, in accordance with paragraph (d) below, against any amounts payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement). The amount set-off will be the amount of the relevant payment made by the Covered Bond Guarantor under the Covered Bond Guarantee in relation to the relevant Covered Bonds (or the Australian Dollar Equivalent of such amount if the related Term Advance is denominated in Australian Dollars and the relevant Covered Bonds are not denominated in Australian Dollars) or the Principal Amount Outstanding of any relevant Covered Bonds purchased or otherwise acquired and cancelled in accordance with Condition 5.10 of the Programme Conditions and Condition 4 of the N Covered Bond

Conditions (as applicable) (or the Australian Dollar Equivalent of such amount if the related Term Advance is denominated in Australian Dollars and the relevant Covered Bonds are not denominated in Australian Dollars), as applicable, which amount must be applied to reduce amounts payable under the Intercompany Loan Agreement in relation to the Term Advance corresponding to the relevant Covered Bonds (and, in accordance with paragraph (d) below, against any amounts payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement) in the following order of priority:

(a) *first*, to reduce and discharge interest (including accrued interest) due and unpaid on the outstanding principal balance of such Term Advance;

(b) *second*, to reduce and discharge the outstanding principal balance of such Term Advance;

(c) *third*, to reduce and discharge any other amounts due and payable by the Covered Bond Guarantor to the Intercompany Loan Provider under the Intercompany Loan Agreement; and

(d) *fourth*, to reduce and discharge amounts due and payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement (see below).

The Intercompany Loan Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Demand Loan Agreement

Under the Demand Loan Agreement, the Demand Loan Provider has agreed to make available to the Covered Bond Guarantor an Australian Dollar revolving credit facility under which the Demand Loan Provider may make Demand Loan Advances to the Covered Bond Guarantor. Each Demand Loan Advance will be denominated in Australian Dollars. The interest rate on the Demand Loan will be equal to the 30 day Bank Bill Rate plus a spread to be determined by the Demand Loan Provider. The balance of the Demand Loan will fluctuate over time, as described below.

The proceeds of each Demand Loan Advance may only be used by the Covered Bond Guarantor: (a) to fund the Consideration (in whole or part) for the acquisition of Mortgage Loan Rights from the Seller on a Closing Date where the aggregate of the proceeds of a Term Advance (if any) made on that date and/or (subject to paragraph (c) of the Pre-Acceleration Principal Priority of Payments as set out in the section "*Cashflows*" in this Prospectus) any Available Principal Amount available to acquire Mortgage Loan Rights is not sufficient to pay the Consideration for the relevant Mortgage Loan Rights to be acquired; (b) to repay a Term Advance on the date on which the Series of Covered Bonds corresponding to such Term Advance matures (subject to paragraph (f) of the Pre-Acceleration Principal Priority of Payments as set out in the section "*Cashflows*" in this Prospectus); (c) to rectify a failure to meet the Asset Coverage Test; (d) to rectify a breach of the Pre-Maturity Test; (e) to rectify an Interest Rate Shortfall; (f) to make a deposit to the OC Account in accordance with the Demand Loan Agreement; or (g) for any other purpose whatsoever as may be agreed from time to time between the Covered Bond Guarantor (acting on the directions of the Trust Manager) and the Demand Loan Provider (including, without limitation, to fund the Reserve Fund if required).

At any time prior to an Issuer Event of Default and provided the relevant conditions precedent have been satisfied, the Trust Manager may direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, re-borrow any amount of the Demand Loan repaid by the Covered Bond Guarantor in accordance with the Demand Loan Agreement and the relevant Priority of Payments. Unless otherwise agreed by the Demand Loan Provider, no further Demand Loan Advances will be made to the Covered Bond Guarantor under the Demand Loan Facility following an Issuer Event of Default or Covered Bond Guarantor Event of Default.

The Covered Bond Guarantor must repay the Demand Loan in the following circumstances:

(a) by way of set-off by application of the proceeds of any Term Advance as described in "*Intercompany Loan Agreement*" above;

(b) following the Demand Loan Provider requesting repayment of all or part of the Demand Loan in accordance with the Demand Loan Agreement;

(c) after the service of a Covered Bond Guarantee Acceleration Notice in accordance with the Post-Enforcement Priority of Payments; and

(d) after the Covered Bonds of each Series and Tranche have been repaid in full and the Issuer has confirmed to the Trust Manager that no additional Covered Bonds will be issued under the Programme Documents in accordance with the applicable Priority of Payments.

Repayment following a demand by the Demand Loan Provider

Any repayment amount which is the subject of a demand made as described in paragraph (b) above must (if so elected by the Demand Loan Provider) be paid within one Local Business Day of the demand (such date, a **Demand Loan Repayment Date**) or, where no such election is made, on the next Distribution Date immediately following such demand.

If a demand for repayment of all or part of the Demand Loan is made as described in paragraph (b) above, then subject to the applicable Priority of Payments (other than in the case of repayment on a Demand Loan Repayment Date) and the following paragraphs, the principal amount of the Demand Loan must be repaid by an amount equal to the lesser of: (a) the amount requested to be repaid by the Demand Loan Provider; (b) the maximum amount (as calculated by the Trust Manager) that may be repaid provided that the Asset Coverage Test is satisfied after giving effect to such repayment; and (c) in the case of the repayment of the Demand Loan on a Demand Loan Repayment Date, the amount standing to the credit of the OC Account. No repayment of the Demand Loan may be made in these circumstances on any Distribution Date or any Demand Loan Repayment Date if the Asset Coverage Test will be breached after giving effect to the repayment.

In satisfaction of the repayment obligation in respect of the Demand Loan in accordance with paragraph (e) of the Pre-Acceleration Principal Priority of Payments, paragraph (g) of the Guarantee Priority of Payments, paragraph (f) of the Post-Enforcement Priority of Payments and on a Demand Loan Repayment Date (i) first, the Demand Loan Provider (in its capacity as Account Bank in respect of the OC Account) must set-off the amount standing to the credit of the OC Account against the amount payable in respect of the Demand Loan in accordance with the relevant Priority of Payments or on the Demand Loan Repayment Date and (ii) second, other than on a Demand Loan Repayment Date, the Trust Manager must direct the Covered Bond Guarantor to and the Covered Bond Guarantor must (in the case of the Pre-Acceleration Principal Priority of Payments and the Guarantee Priority of Payments) or the Security Trustee must (in the case of the Post-Enforcement Priority of Payments) distribute Mortgage Loan Rights of the Trust in specie (the aggregate value of which will be determined by reference to the Current Principal Balance plus arrears of interest and accrued interest thereon in respect of the corresponding Mortgage Loan calculated as at the date of the in specie distribution) (the **In Specie Mortgage Loan Rights**) in accordance with the applicable Priority of Payments. Any In Specie Mortgage Loan Rights must be selected by the Trust Manager (in the case of a distribution in accordance with the Pre-Acceleration Principal Priority of Payments and the Guarantee Priority of Payments) or the Security Trustee (in the case of the Post-Enforcement Priority of Payments), on a basis that is representative of the Mortgage Loan Rights forming part of the Assets of the Trust at the date of the in specie distribution to the Demand Loan Provider.

For the avoidance of doubt, if the Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Security Trustee, as applicable, fails (as determined by the Demand Loan Provider) for any reason whatsoever to distribute Mortgage Loan Rights as an in specie distribution in accordance with the Demand Loan Agreement and the applicable Priority of Payments (an **In Specie Failure**), such In Specie Failure will not discharge the repayment obligation in respect of the Demand Loan and such repayment obligation will be payable in accordance with the applicable Priority of Payments and the Demand Loan Agreement from the amount available to be applied in accordance with the relevant Priority of Payments.

An In Specie Failure does not constitute a Covered Bond Guarantor Event of Default, Trust Manager Default and/or a Covered Bond Guarantor Termination Event other than, in the case of a Trust Manager Default or a Covered Bond Guarantor Termination Event, where the Covered Bond Guarantor or Trust Manager, as applicable, has been fraudulent, negligent or in wilful default in connection with the In Specie Failure.

Ranking of repayments under the Demand Loan

Where repayment of the principal amount owing under the Demand Loan is made by way of a set-off against the amount standing to the credit of the OC Account and/or by an in specie distribution of Mortgage Loan Rights as described above, such repayment will rank in priority to amounts owing by the Covered Bond Guarantor under the Covered Bond Guarantee or under the Intercompany Loan Agreement, as applicable, in accordance with the applicable Priority of Payments (unless such repayment is being made on a Demand Loan Repayment Date). Otherwise (including as a result of an In Specie Failure), repayment of the principal amount owing under the Demand Loan will be subordinated to amounts owed by the Covered Bond Guarantor under the Intercompany

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

Other than to the extent the principal on the Demand Loan is repaid by way of a set-off against the OC Account and/or by an in specie distribution of Mortgage Loan Rights, the Covered Bond Guarantor will repay the principal on the Demand Loan on a Distribution Date in accordance with the applicable Priority of Payments and the terms of the Demand Loan Agreement and the Establishment Deed, using (i) funds in the applicable Trust Accounts (other than the OC Account); and/or (ii) proceeds from the sale of Substitution Assets and/or Authorised Investments; and/or (iii) the proceeds of a Term Advance pursuant to the terms of the Intercompany Loan Agreement (see the section "*Cashflows*" in this Prospectus).

The Australian Dollar Equivalent of any amounts owing by the Intercompany Loan Provider (as Issuer) to the Covered Bond Guarantor in respect of amounts paid by the Covered Bond Guarantor under the Covered Bond Guarantee in relation to particular Covered Bonds or the purchase of particular Covered Bonds by the Covered Bond Guarantor, as applicable, which are not set-off in accordance with the order of priority contained in the Intercompany Loan Agreement (set out above) will be set-off automatically (and without any action being required by the Covered Bond Guarantor, the Trust Manager, the Demand Loan Provider or the Security Trustee) against any amounts payable by the Covered Bond Guarantor under the Demand Loan Agreement in the following order of priority:

(a) *first*, to reduce and discharge interest (including accrued interest) due and unpaid on the Demand Loan;

(b) *second*, to reduce and discharge the outstanding principal balance of the Demand Loan; and

(c) *third*, to reduce and discharge any other amounts due and payable by the Covered Bond Guarantor to the Demand Loan Provider under the Demand Loan Agreement.

The Demand Loan Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Mortgage Sale Agreement

Sale by the Seller of Mortgage Loan Rights

Mortgage Loan Rights have been, and will be, sold to the Covered Bond Guarantor from time to time on a fully serviced basis pursuant to the terms of the Mortgage Sale Agreement entered into on or about the Programme Date between the Bank (in its capacity as Seller, Issuer, Servicer and beneficiary of the CBA Trust), the Covered Bond Guarantor (in its capacity as trustee of the Trust and as trustee of the CBA Trust), the Trust Manager and the Security Trustee.

The types of Mortgage Loans forming part of the Assets of the Trust will vary over time provided that, at the time the relevant Mortgage Loan is sold to the Covered Bond Guarantor, the Mortgage Loan is an Eligible Mortgage Loan (as described below) on the relevant Cut-Off Date. Accordingly, Mortgage Loan Rights sold by the Seller to the Covered Bond Guarantor on a Closing Date may have characteristics that differ from Mortgage Loan Rights already forming part of the Assets of the Trust as at that date.

Prior to the occurrence of an Issuer Event of Default or a Covered Bond Guarantor Event of Default, the Covered Bond Guarantor will acquire Mortgage Loan Rights from the Seller in the four circumstances described below:

(a) *first*, in connection with a proposed issue of a Series or Tranche of Covered Bonds or the prudent maintenance of the Mortgage Loan Rights forming part of the Assets of the Trust, the proceeds of a Demand Loan and/or a Term Advance (after being swapped into Australian Dollars at the applicable Swap Rate if the Term Advance is not denominated in Australian Dollars), together with (if applicable) the Available Principal Amount available for that purpose, may be applied in whole or in part by the Covered Bond Guarantor to acquire Mortgage Loan Rights from the Seller on the relevant Closing Date;

(b) *second*, if at any time prior to the service of an Asset Coverage Test Breach Notice (which has not been deemed to have been revoked) and prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice or the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice, part of the Available Principal Amount is

available to be applied under paragraph (g) of the Pre-Acceleration Principal Priority of Payments and the Trust Manager notifies the Seller and requests the Seller to offer to sell Mortgage Loan Rights to the Covered Bond Guarantor, the Seller will use all reasonable endeavours to offer to sell such Mortgage Loan Rights to the Covered Bond Guarantor and such Mortgage Loan Rights will be purchased by the Covered Bond Guarantor using that part of the Available Principal Amount (provided that the Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the Seller, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the Seller);

(c) *third*, the Trust Manager is required to ensure that the Adjusted Aggregate Mortgage Loan Amount is maintained at all times in compliance with the Asset Coverage Test (as determined by the Trust Manager on each Determination Date). If on any Determination Date the Adjusted Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds, the Seller will use all reasonable endeavours to offer to sell sufficient Mortgage Loan Rights to the Covered Bond Guarantor so the Asset Coverage Test is satisfied on the immediately following Determination Date (provided that the Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the Seller, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the Seller); and

(d) *fourth*, if there is an Interest Rate Shortfall, and the Trust Manager notifies the Servicer and the Seller, having regard to the obligations of the Covered Bond Guarantor and the amount of that Interest Rate Shortfall, that further Mortgage Loan Rights should be offered by the Seller to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement to rectify the Interest Rate Shortfall, the Seller will use all reasonable endeavours to offer to sell in accordance with the Mortgage Sale Agreement sufficient Mortgage Loan Rights to the Covered Bond Guarantor to ensure that there will not be an Interest Rate Shortfall on the next Determination Date and the Trust Manager must request a Demand Loan Advance to the extent required to pay the Consideration in relation to such Mortgage Loan Rights (provided that the Seller will not be obliged to sell to the Covered Bond Guarantor and the Covered Bond Guarantor will not be obliged to acquire Mortgage Loan Rights if, in the reasonable opinion of the Seller, the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the Seller).

In exchange for the sale of the Mortgage Loan Rights to the Covered Bond Guarantor, the Seller will receive a payment of the Consideration for the Mortgage Loan Rights in accordance with the applicable Priority of Payments.

The Seller may set-off any amount payable on the Closing Date by it as Intercompany Loan Provider and/or Demand Loan Provider under the Intercompany Loan Agreement and/or the Demand Loan Agreement, as applicable, against the Consideration for any new Mortgage Loan Rights. The Consideration for Mortgage Loan Rights acquired by the Covered Bond Guarantor will be paid on the applicable Closing Date.

The Seller will be required to repurchase Mortgage Loan Rights sold to the Covered Bond Guarantor in the circumstances described under "*Repurchase by the Seller following breach of Representations and Warranties*" below.

Eligible Mortgage Loans

The Seller gives certain representations and warranties in respect of each Mortgage Loan, which include that the Mortgage Loan is an Eligible Mortgage Loan as at the relevant Cut-Off Date. An Eligible Mortgage Loan is a Mortgage Loan that satisfies the following conditions:

(a) it has a stated term remaining to maturity as at the Cut-Off Date not exceeding 30 years;

(b) the Mortgage Loan is regarded as "prime" loan not a "low-doc" loan;

(c) the Borrower in respect of the Mortgage Loan is not an employee of the Seller who is paying a concessional rate of interest under the Mortgage Loan as a result of such employment;

(d) it was advanced in, and is repayable in, Australian Dollars;

(e) as at the Cut-Off Date no payment due from the Borrower under the Mortgage Loan is in arrears by more than 30 days;

(f) it is a first ranking mortgage;

(g) it is secured by a Mortgage over Land which was erected on or within it a residential dwelling or unit; and

(h) it is or has been fully drawn.

On each Cut-Off Date, the Representations and Warranties (described below in "*Representations and Warranties*") will be given by the Seller in respect of the Mortgage Loan Rights sold by the Seller to the Covered Bond Guarantor on that Closing Date.

Transfer of Title to the Mortgage Loan Rights to the Covered Bond Guarantor

Mortgage Loan Rights will be sold by the Seller to the Covered Bond Guarantor by way of statutory assignment. Notice of the sale will not be initially provided to the Borrowers. Mortgages will be sold by the Seller to the Covered Bond Guarantor by way of equitable assignment.

Each of the following events is a **Perfection of Title Event**:

(a) the occurrence of an Issuer Event of Default that is subsisting and the service on the Issuer and the Covered Bond Guarantor of an Issuer Acceleration Notice and the service on the Covered Bond Guarantor of a Notice to Pay, unless the Seller has notified the Covered Bond Guarantor that it will accept the offer set out in a Selected Mortgage Loan Rights Offer Notice within the prescribed time in relation to the Mortgage Loan Rights specified in the Selected Mortgage Loan Rights Offer Notice; or

(b) at the request of the Covered Bond Guarantor (acting on the directions of the Trust Manager) following the acceptance of an offer to sell the Selected Mortgage Loan Rights (in accordance with the Programme Documents) to any person who is not the Seller; or

(c) the Seller and/or the Covered Bond Guarantor being required to perfect legal title to the Mortgage Loan Rights by law or by an order of a court of competent jurisdiction; or

(d) the Security under the Security Deed or any material part of the Security being in the opinion of the Security Trustee (acting on the directions of (if any Covered Bonds are outstanding) the Bond Trustee or (if no Covered Bonds are outstanding) the Majority Secured Creditors in jeopardy and the Security Trustee being directed by the Bond Trustee (if any Covered Bonds are outstanding and subject to the provisions of the Bond Trust Deed) or, if there are no Covered Bonds outstanding, the Majority Secured Creditors, to take that action to reduce that jeopardy; or

(e) the termination of the Bank's role as Servicer under the Servicing Deed unless: (i) at the relevant date of termination any Substitute Servicer is a member of the Group; or (ii) the Security Trustee otherwise consents (such consent to be given if a Rating Affirmation Notice has been issued by the Issuer to the Covered Bond Guarantor and the Security Trustee in respect of the termination of the Bank's role as Servicer); or

(f) the Seller requesting at its absolute discretion the perfection of a sale of Mortgage Loan Rights by giving notice in writing to the Covered Bond Guarantor and the Security Trustee; or

(g) the occurrence of an Insolvency Event in relation to the Seller; or

(h) the Seller's unsecured, unsubordinated, long-term senior debt obligations have been downgraded below Baa3 by Moody's or BBB- by Fitch (or, if Fitch has placed the Seller on ratings watch negative at the relevant time, below BBB by Fitch) (or such other rating in respect of the Seller as is agreed between the Trust Manager and the Seller and in respect of which the Issuer has issued a Rating Affirmation Notice in respect of each Rating Agency).

Following the occurrence of a Perfection of Title Event that is subsisting, the Covered Bond Guarantor may only take any action:

(a) in the case of the Perfection of Title Event referred to in paragraph (a), in respect of all Mortgage Loans forming part of the Assets of the Trust other than any Selected Mortgage Loan Rights specified in a Selected Mortgage Loan Rights Offer Notice given by the Covered Bond Guarantor to the Seller which has been accepted by the Seller within the prescribed time;

(b) in the case of the Perfection of Title Event referred to in paragraph (b), in respect of the relevant Selected Mortgage Loan Rights only;

(c) in the case of the Perfection of Title Event referred to in paragraph (c), in respect of affected Mortgage Loan Rights only; and

(d) in the case of any other Perfection of Title Event, in respect of all Mortgage Loan Rights forming part of the Assets of the Trust,

in each case, the **Affected Mortgage Loan Rights**.

If a Perfection of Title Event of which the Covered Bond Guarantor is actually aware is subsisting, the Covered Bond Guarantor must, as soon as reasonably practicable, by notice in writing to the Seller, Servicer, Trust Manager, Security Trustee and each Rating Agency, declare that a Perfection of Title Event has occurred unless the Issuer issues a Rating Affirmation Notice prior to such declaration.

The Seller agrees (to the extent that any of the following is vested in it) to hold all right, title, interest and benefit (both present and future) in and under: (i) the Mortgage Loan Rights following the acquisition of such Mortgage Loan Rights by the Covered Bond Guarantor; and (ii) any sums that are or may become due in respect thereof, on trust for the Covered Bond Guarantor (excluding from such trust any Mortgage Loans cease to be Assets of the Trust).

At least three Local Business Days before the first Closing Date, the Seller must deliver powers of attorney in registrable form in each Australian jurisdiction appointing the Covered Bond Guarantor as its attorney to, amongst other things: (1) execute, deliver and lodge any Mortgage Transfer relating to any Mortgage Loans forming part of the Assets of the Trust and any other documents referred to in a Mortgage Transfer which are ancillary to them or contemplated by them with any land titles office in any relevant Australian jurisdiction; (2) give effect to the transactions contemplated by any Mortgage Transfer; (3) exercise any rights of the Seller to vary by notice to the Borrower the rate or amount of any interest or fees payable by the Borrower under the related Mortgage Loan; and/or (4) do anything incidental to or conducive to the effective and expeditious exercise of its rights under the powers of attorney (the **Seller Powers of Attorney**). The Seller Powers of Attorney will not be exercisable by the Covered Bond Guarantor until the occurrence of a Perfection of Title Event.

If, and only if, the Covered Bond Guarantor makes a declaration of a Perfection of Title Event as discussed above, the Covered Bond Guarantor and the Trust Manager must as soon as practicable: (i) take all necessary steps to perfect in the name of the Covered Bond Guarantor the Covered Bond Guarantor's legal title to the Mortgages in respect of the Affected Mortgage Loan Rights then forming part of the Assets of the Trust (including lodgement of Mortgage Transfers (where necessary, executed under a Seller Power of Attorney) with the land titles office of the appropriate jurisdiction to achieve registration of the Mortgages in respect of the Affected Mortgage Loan Rights then forming part of the Assets of the Trust); (ii) notifying the Borrowers of the sale of Mortgage Loans and Mortgages in respect of the Affected Mortgage Loan Rights then forming part of the Assets of the Trust including informing them (where appropriate) that they should make payment to the Trust Account specified to them by the Covered Bond Guarantor; and (3) taking possession of all Loan Files (subject to the Privacy Act and the Seller's duty of confidentiality to its customers under general law or otherwise). Prior to any such declaration, the Seller will retain legal title to the Mortgage Loan Rights and custody of the mortgage title documents.

The Seller indemnifies the Covered Bond Guarantor from and against any Liabilities incurred by the Covered Bond Guarantor in perfecting the Covered Bond Guarantor's legal title to the Mortgages then forming part of the Assets of the Trust in accordance with the Mortgage Sale Agreement.

Representations and Warranties

The Covered Bond Guarantor has not made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Mortgage Loan Rights to be sold to the Covered Bond Guarantor. Instead, each will rely entirely on the Representations and Warranties made by the Seller and contained in the Mortgage Sale Agreement. As at the relevant Cut-Off Date, the Seller makes the following Representations and Warranties in relation to each Mortgage Loan sold or to be sold to the Covered Bond Guarantor:

(a) at the time that the Seller entered into the Mortgage relating to the Mortgage Loan, each Mortgage, Loan Agreement and Collateral Security complied in all material respects with applicable laws (including applicable Consumer Credit Code laws and the National Consumer Credit Protection Laws, as applicable) and, as at the Cut-Off Date, the Seller is not aware of any failure by it to comply with the National Consumer Credit Protection Laws (if applicable) in relation to the Mortgage Loan;

(b) at the time that the Seller entered into the Mortgage Loan, it did so in good faith;

(c) at the time that the Seller entered into the Mortgage Loan, the Mortgage Loan was originated in the ordinary course of the Seller's business and since that time the Seller has dealt with the Mortgage Loan in accordance with the Servicing Guidelines and the Servicing Standards;

(d) at the time that the Seller entered into the Mortgage Loan, all necessary steps were taken in respect of each Mortgage created in connection with the Mortgage Loan so that each Mortgage complied with the legal requirements applicable at that time to ensure that each Mortgage was a first-ranking mortgage (subject to any statutory charges, any prior charges of a body corporate, service company or equivalent, whether registered or otherwise, and any other prior Security Interests which do not prevent the Mortgage from being considered to be a first-ranking mortgage in accordance with the Servicing Standards) secured over Land in the jurisdiction in which the relevant Land is located subject to stamping and registration of each relevant Mortgage in due course;

(e) where there is a second or other mortgage in existence over Land the subject of a Mortgage in relation to the Mortgage Loan and the Seller is not the mortgagee of that second or other mortgage, the Seller has ensured (by way of a Priority Agreement with the subsequent mortgagee or otherwise) that the Mortgage will rank ahead in priority to the second or other mortgage on enforcement for an amount not less than the principal amount (plus accrued but unpaid interest) outstanding on the Mortgage Loan plus such extra amount determined in accordance with the Servicing Guidelines;

(f) at the time that the Mortgage Loan was approved, the Seller had not received any notice of the insolvency or the bankruptcy of the corresponding Borrowers or that the corresponding Borrowers did not have the legal capacity to enter into the corresponding Mortgage;

(g) the Seller is the sole legal and beneficial owner of the Mortgage Loan and the related Mortgages and First Layer of Collateral Securities (other than the Insurance Policies) and to its knowledge, subject to paragraph (d) above) no prior ranking Security Interest exists in relation to its right, title and interest in that Mortgage Loan and the related Mortgages and First Layer of Collateral Securities;

(h) each of the Mortgage Documents (other than the Insurance Policies in respect of Land) relating to the Mortgage Loan which is required to be stamped with stamp duty has been duly stamped;

(i) the Mortgage Loan has not been satisfied, cancelled, discharged or rescinded and the property relating to each relevant Mortgage has not been released from the security of that Mortgage;

(j) the Seller holds, in accordance with the Servicing Standards, all documents which, pursuant to the Servicing Standards, it should hold to enforce the provisions of, and the security created by, the corresponding Mortgage and the First Layer of Collateral Securities;

(k) other than the relevant Mortgage Documents, there are no documents entered into between the Seller and the Borrower or any other relevant party in relation to the Mortgage Loan which would qualify or vary the terms of the Mortgage Loan except as permitted by the Servicing Standards (including any variations of a Mortgage Loan which may be made by notice to the Borrower from the Seller) and recorded in a written instrument forming part of the mortgage documentation applicable to the Mortgage Loan and any documentation relating to any corresponding Interest Off-Set Account;

(l) other than in respect of priorities granted by statute, the Seller has not received notice from any person that it claims to have a Security Interest ranking in priority to or equal with the Security Interest held by the Seller and constituted by any corresponding Mortgage;

(m) the Seller holds all consents, licences, approvals, authorisations and exemptions from any Governmental Agency required as at the Cut-Off Date for, or in connection with, performance and enforceability in respect of the Mortgage Loan which, in accordance with the Servicing Standards, it should hold in relation to the Mortgage Loan as at the Cut-Off Date;

(n) the Mortgage Loan is an Eligible Mortgage Loan as at the Cut-Off Date;

(o) except in respect of a Mortgage Loan subject to a fixed rate of interest (or a rate of interest which can be converted into a fixed rate of interest or a fixed margin relative to a benchmark) and except as may be provided by applicable laws (including the Consumer Credit Code and the National Consumer Credit Protection Laws, as applicable), any Binding Provision or any Competent Authority or as may be provided in the corresponding Mortgage Documents, the interest rate payable on a Mortgage Loan is not subject to any limitation and no consent, additional memoranda or other writing is required from the relevant Borrower to give effect to a change in the interest rate payable on the Mortgage Loan and, subject to the foregoing, any change in the interest rate may be set at the sole discretion of the Servicer and is effective no later than when notice is given to the Borrower in accordance with the terms of the relevant Mortgage Loan;

(p) the Seller is lawfully entitled to sell and assign its interests in the corresponding Mortgage Loan Rights and to transfer valid and beneficial title to the Covered Bond Guarantor free from all Security Interests (other than as described in paragraph (d) above);

(q) it is not aware of anything in relation to the sale of the Mortgage Loan Rights to the Covered Bond Guarantor which might cause a court to hold that the sale constitutes an under-value transfer, a fraudulent conveyance or a voidable preference under any law relating to insolvency;

(r) the sale, transfer and assignment of the Seller's interest in the Mortgage Loan Rights will not constitute a breach of its obligations or a default under any Security Interest binding on the Seller or its property;

(s) the terms of the Loan Agreement relating to the Mortgage Loan require payments in respect of that Mortgage Loan to be made to the Seller free of set-off, unless prohibited by law; and

(t) the Borrower in respect of the Mortgage Loan has made at least one Mortgage Loan Scheduled Payment.

CBA Trust

The Mortgage in respect of a Mortgage Loan forming part of the Assets of the Trust may constitute an "all money mortgage" in that such Mortgage purports to secure the repayment of indebtedness which a Borrower owes, or may owe, to the Seller, as applicable, from time to time that is not assigned to the Covered Bond Guarantor (such as business loans) as well as securing the repayment of the Mortgage Loan (each, an **Other Loan**). Pursuant to a trust to be established upon entry into the Mortgage Sale Agreement (the **CBA Trust**), the Covered Bond Guarantor (as trustee of the CBA Trust) will hold all of its right, title and interest in:

(a) each Other Loan;

(b) the balance of the Mortgages, the Mortgage Documents, the First Layer of Collateral Securities and the Mortgage Receivables (after taking into account so much of any Mortgage Loan, the First Layer of Collateral Securities, the Mortgage Receivables and the Mortgage Documents (including the proceeds of enforcement in relation to such Mortgage Loan)) as is necessary to enable the full and final repayment of all amounts owing in respect of the Mortgage Loan; and

(c) the Second Layer of Collateral Securities,

which are assigned to the Covered Bond Guarantor by the Seller for the benefit of the Seller.

Where:

(a) a Mortgage Loan forms part of the Assets of the Trust; and

(b) an Other Loan forms part of the CBA Trust; and

(c) a Collateral Security which is part of the First Layer of Collateral Securities or a Mortgage which secures the Mortgage Loan also secures the Other Loan,

then:

(i) where the Seller in relation to the Mortgage Loan is the Servicer, the Servicer is entitled to enforce that Collateral Security or Mortgage (as the case may be) upon a default occurring in

respect of the Other Loan provided that the enforcement proceeds are paid to the Covered Bond Guarantor. Upon receipt of such proceeds the Covered Bond Guarantor must:

(A) treat as Collections the amount of such proceeds as is equal to all amounts outstanding under the relevant Mortgage Loan; and

(B) pay the excess (if any) of such proceeds to the Seller (as beneficiary of the CBA Trust) in respect of amounts outstanding under the Other Loan; or

(ii) where the Seller in relation to a Mortgage Loan is not the Servicer, the Servicer must enforce that Collateral Security or Mortgage (as the case may be) upon receipt of a direction to do so from the Seller (as beneficiary of the CBA Trust) which states that the relevant Other Loan is in default. Upon receipt of the enforcement proceeds in respect of that Collateral Security or Mortgage (as the case may be) the Servicer must pay to the Covered Bond Guarantor all such proceeds and the Covered Bond Guarantor must:

(A) treat as Collections the amount of such proceeds as is equal to all amounts outstanding under the relevant Mortgage Loan; and

(B) pay the excess (if any) of such proceeds to the Seller (as beneficiary of the CBA Trust) in respect of amounts outstanding under the Other Loan.

If a Mortgage Loan has been repaid in full or is treated as having been repaid in full in accordance with the Mortgage Sale Agreement and the Mortgage Loan is not discharged, then, from the date of repayment or treated repayment in full of the Mortgage Loan, automatically by virtue of the Mortgage Sale Agreement and without the necessity for any further act or instrument or other thing to be done or brought into existence:

(a) if Perfection of Title has not occurred in respect of that Mortgage Loan, the Covered Bond Guarantor's entire right, title and interest in that Mortgage Loan and in the Mortgage Loan Rights in relation to that Mortgage Loan then forming part of the Assets of the Trust and any Other Loan in respect of that Mortgage Loan will be extinguished in favour of the Seller with respect to those Mortgage Loan Rights and that Other Loan with immediate effect; or

(b) if Perfection of Title has occurred in respect of that Mortgage Loan, the Covered Bond Guarantor will hold the benefit of its right, title and interest in and to:

(i) that Mortgage Loan;

(ii) any Mortgages and the First Layer of Collateral Securities, held in respect of that Mortgage Loan;

(iii) any Mortgage Documents held in relation to that Mortgage Loan; and

(iv) the Mortgage Receivables held in relation to that Mortgage Loan,

as trustee of the CBA Trust.

If the Mortgages, First Layer of Collateral Securities, Mortgage Documents, Mortgage Receivables or Other Loans referred to above apply to more than one Mortgage Loan forming part of the Assets of the Trust, the holding of the Covered Bond Guarantor's interest in such as trustee of the CBA Trust occurs only upon repayment in full of all such Mortgage Loans secured by such Mortgages, First Layer of Collateral Securities, Mortgage Documents, Mortgage Receivables and Other Loans.

Repurchase by the Seller following breach of Representations and Warranties

If the Trust Manager, the Seller or the Covered Bond Guarantor become actually aware that a Representation or Warranty was materially breached or materially incorrect when given in respect of a Mortgage Loan forming part of the Assets of the Trust it must give notice, in the case of the Trust Manager and the Seller, to the other parties to the Mortgage Sale Agreement and in the case of the Covered Bond Guarantor, to the Trust Manager and the Seller, within five Local Business Days of the relevant party becoming so aware. If that breach is not remedied to the Covered Bond Guarantor's satisfaction within five Local Business Days of the Seller or the Trust Manager giving or receiving such notice, then the Seller must pay to the Covered Bond Guarantor the Current Principal

Balance of the relevant Mortgage Loan plus the arrears of interest and any accrued interest (in each case, as at the date of delivery of the notice referred to above) and on receipt of such payment by the Covered Bond Guarantor, the relevant Mortgage Loan will be treated as having been repaid in full.

Further drawings under the Mortgage Loans

The Seller will be solely responsible for funding the advance to the relevant Borrowers of all further drawings, if any, in respect of Mortgage Loans forming part of the Assets of the Trust (including, but not limited to, Trust Further Advances).

Further Advances

A Mortgage Loan forming part of the Assets of the Trust will be subject to a Further Advance when the Seller agrees to an advance of further money to the relevant Borrower following the making of the initial advance of moneys in respect of such Mortgage Loan which is secured by the same Mortgage as the initial advance and is recorded on the same account as the initial advance.

The Seller has an absolute right to agree to or refuse to grant a Further Advance and the Seller will be solely responsible for funding any such Further Advance to a Borrower.

If the Seller makes an advance to a Borrower and:

(a) the Seller opens a separate account in its records in relation to the advance, the advance is considered for the purposes of the Mortgage Sale Agreement to be an Other Loan and upon creation, the Covered Bond Guarantor will automatically by virtue of the Mortgage Sale Agreement, and without the necessity for any further act or thing to be done or brought into existence, hold the benefit of its right, title and interest in such Other Loan for the Seller as trustee of the CBA Trust and the Covered Bond Guarantor will hold any Mortgage and any First Layer of Collateral Securities in respect of such Other Loan and any Second Layer of Collateral Securities in respect of such Other Loan in accordance with the Mortgage Sale Agreement;

(b) the Seller records the advance as a debit to the account in its records for an existing Mortgage Loan forming part of the Assets of the Trust notwithstanding whether the advance leads to the Scheduled Balance in respect of that Mortgage Loan (prior to the approval of the advance) being exceeded by more than one Mortgage Loan Scheduled Payment or not, the advance is treated as a Further Advance for the purposes of the Mortgage Sale Agreement and the rights to repayment of such will be a Mortgage Loan Right forming part of the Assets of the Trust unless the Seller elects, in its absolute discretion to pay to the Covered Bond Guarantor an amount equal to the Current Principal Balance (before the advance was made) plus the arrears of interest and any accrued interest in respect of the relevant Mortgage Loan (which amount must be deposited into the GIC Account) and on such payment the Mortgage Loan is, for the purposes of the Mortgage Sale Agreement only, treated as having been repaid in full.

If the Seller makes a Further Advance and the Seller has not elected to remove the Mortgage Loan in respect of which such Further Advance was made (and the related Mortgage Loan Rights) from the Assets of the Trust (a **Trust Further Advance**) and, in accordance with the Servicing Deed, notifies the Trust Manager of the amount of that Trust Further Advance:

(a) if the Seller is the Servicer, the Seller may apply an amount of Principal Collections held by it prior to deposit in the GIC Account; or

(b) if the Seller is not the Servicer or if the Seller notifies the Trust Manager that it cannot, or chooses not to, apply Principal Collections as described in paragraph (a), the Trust Manager must direct the Covered Bond Guarantor to pay the Seller that amount from Principal Collections held by the Covered Bond Guarantor in the GIC Account,

in each case, in reimbursement of such Trust Further Advance, provided that Principal Collections may only be applied in accordance with paragraphs (a) and (b) above if there are sufficient Principal Collections to be able to make the reimbursement and the Trust Manager has confirmed to the Covered Bond Guarantor that it is satisfied on a reasonable basis that the estimated Principal Collections for the Collection Period in which the day of application falls exceeds the aggregate of the amount of that reimbursement and any other reimbursement made to the Seller during that Collection Period. If the Covered Bond Guarantor receives a direction from the Trust Manager in accordance with paragraph (b) above, the Covered Bond Guarantor must pay the Seller the amount

so directed and will be entitled to assume that the Trust Manager has complied with its obligations described in this paragraph in giving that direction.

Defaulted Mortgage Loans

If a Mortgage Loan becomes a Defaulted Mortgage Loan, then that Mortgage Loan will be attributed a zero value in the calculation of the Asset Coverage Test, the Amortisation Test and the Legislated Collateralisation Test on the relevant Determination Date.

General ability to repurchase

The Seller may, at any time prior to the occurrence of an Issuer Event of Default, by serving a Seller Mortgage Loan Repurchase Notice on the Covered Bond Guarantor (copied to the Trust Manager and the Security Trustee), offer to repurchase Mortgage Loan Rights from the Covered Bond Guarantor for an amount equal to the Current Principal Balance plus arrears of interest and any accrued interest in respect of the Mortgage Loans relating to such Mortgage Loan Rights. The Covered Bond Guarantor will be under no obligation whatsoever to accept such an offer and any such decision will be made by the Trust Manager. In no circumstances will the Trust Manager direct the Covered Bond Guarantor to (and the Covered Bond Guarantor will not) accept any such offer unless the Trust Manager confirms to the Covered Bond Guarantor that, after giving effect to the sale of the Mortgage Loan Rights, the Asset Coverage Test will be satisfied.

Timing of repurchase and payment

Subject as provided in "*General ability to repurchase*" above, the Covered Bond Guarantor (acting on the directions of the Trust Manager) may accept an offer by the Seller to repurchase Mortgage Loan Rights in writing (including by email) to the Seller. If the Covered Bond Guarantor so accepts an offer made by the Seller, the Seller must pay to the Covered Bond Guarantor an amount equal to the Current Principal Balance plus the arrears of interest and any accrued interest in respect of the Mortgage Loans the subject of the Seller Mortgage Loan Repurchase Notice and on receipt of such amount by the Covered Bond Guarantor the Mortgage Loans will be treated as having been repaid in full. Such payment must be allocated by the Covered Bond Guarantor to the GIC Account of the Trust.

A repurchase of the right, title and interest in any Mortgage Loan Rights in the circumstances described under "*General ability to repurchase*" will take place on a date agreed by the Seller and the Covered Bond Guarantor (acting on the directions of the Trust Manager).

Right of pre-emption

Under the terms of the Mortgage Sale Agreement, the Seller will have a right of pre-emption in respect of any sale, in whole or in part, of Selected Mortgage Loan Rights. The Covered Bond Guarantor may be required to sell selected Mortgage Loan Rights in the circumstances described in "*Establishment Deed – Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached* below.

In connection with the sale of Mortgage Loan Rights, the Covered Bond Guarantor will serve on the Seller a Selected Mortgage Loan Rights Offer Notice offering to sell those Selected Mortgage Loan Rights for the best price reasonably available, but in any event: (a) following the service of an Asset Coverage Test Breach Notice (but prior to the service of a Notice to Pay), for an amount not less than the Current Principal Balance of the Mortgage Loans relating to the Selected Mortgage Loan Rights plus the arrears of interest and any accrued interest; and (b) following a breach of the Pre-Maturity Test or service of a Notice to Pay on the Covered Bond Guarantor, for an amount not less than the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds. If the Seller accepts the Covered Bond Guarantor's offer to sell the relevant Selected Mortgage Loan Rights in accordance with the foregoing, the Seller must, within 10 Local Business Days of service of the Selected Mortgage Loan Rights Offer Notice on the Seller, countersign and return to the Covered Bond Guarantor the relevant Selected Mortgage Loan Rights Offer Notice. The Seller's right to accept the offer (and therefore exercise its right of pre-emption) will be conditional upon the Covered Bond Guarantor, the Trust Manager and Security Trustee (each acting reasonably) being satisfied that no Insolvency Event has occurred in respect of the Seller. Upon receipt by the Covered Bond Guarantor of a countersigned Selected Mortgage Loan Rights Offer Notice, the Mortgage Loans identified in the Selected Mortgage Loan Rights Offer Notice will be treated as having been repaid in full by the payment by the Seller to the Covered Bond Guarantor of an amount equal to the repurchase price referred to above and specified in the relevant Selected Mortgage Loan Rights Offer Notice. Such payment must be allocated by the Covered Bond Guarantor to the GIC Account.

Completion of such repurchase (by payment of the repurchase price by the Seller (or other Purchaser nominated by the Seller)) will take place on such date as the Covered Bond Guarantor (acting on the directions of the Trust Manager) and the Seller may agree (provided that such date shall not be later than the earlier to occur of the date which is (i) 10 Local Business Days after receipt by the Covered Bond Guarantor of the Selected Mortgage Loan Rights Offer Notice countersigned by the Seller or (ii) the Final Maturity Date of the Earliest Maturing Covered Bonds).

If the Seller rejects the Covered Bond Guarantor's offer or fails to accept it in accordance with the foregoing, the Covered Bond Guarantor will offer to sell the Selected Mortgage Loan Rights to other Purchasers (as described under "*Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*" below).

For the purposes of the above:

Adjusted Required Redemption Amount means in relation to a Series of Covered Bonds:

(i) the Australian Dollar Equivalent of the Required Redemption Amount; plus or minus

(ii) the Australian Dollar Equivalent of any swap termination amounts payable under the Covered Bond Swaps corresponding to the Series to or by the Covered Bond Guarantor less (where applicable) amounts standing to the credit of (i) the Pre-Maturity Ledger, (ii) the GIC Account (excluding amounts standing to the credit of the Pre-Maturity Ledger) and (iii) the principal balance of any Substitution Assets and Authorised Investments (excluding all amounts to be applied on the next following Distribution Date to repay higher ranking amounts in the relevant Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds); plus or minus

(iii) the Australian Dollar Equivalent of any swap termination amounts payable to or by the Covered Bond Guarantor under the Interest Rate Swap.

The Mortgage Sale Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Servicing Deed

Pursuant to the terms of the Servicing Deed entered into on or about the Programme Date between the Covered Bond Guarantor (in its capacity as trustee of the Trust and as trustee of the CBA Trust), the Bank (in its capacity as Servicer and Seller), the Trust Manager and the Security Trustee, the Servicer has agreed to administer and service on behalf of the Covered Bond Guarantor the Mortgage Loan Rights sold by the Seller to the Covered Bond Guarantor.

The Servicer must ensure that the servicing of the Mortgage Loan Rights which from time to time form part of the Assets of the Trust (including the exercise of the express powers set out in the Servicing Deed) is:

(a) at all times, conducted in the best interests of the Covered Bond Guarantor;

(b) in compliance with the express limitations of the Servicing Deed (unless the prior written consent of the Trust Manager and the Covered Bond Guarantor is obtained); and

(c) to the extent the Servicing Deed does not provide otherwise, in accordance with the Servicing Standards.

The function of servicing the Mortgage Loans Rights forming part of the Assets of the Trust is vested in the Servicer to be exercised on behalf, and in the best interests, of the Covered Bond Guarantor, however the parties to the Servicing Deed acknowledge and agree that the Servicer is an independent contractor and not the agent of the Covered Bond Guarantor in the exercise and performance of its duties under the Servicing Deed.

The Servicer's actions in servicing the Mortgage Loan Rights are binding on the Covered Bond Guarantor, whether or not such actions or any omissions are in compliance with the Servicing Deed. The Servicer may appoint an agent or delegate for the purposes of carrying out and performing its duties and obligations under the Servicing Deed provided that it meets the conditions as set out in the Servicing Deed in relation to such appointment. The Servicer at all times remains liable for its agents and delegates insofar as the act or omissions of any such person constitute a breach by the Servicer of its obligations under the Servicing Deed and in respect of payment of fees to any such person.

Undertakings of the Servicer

Pursuant to the terms of the Servicing Deed, the Servicer must, in servicing the Mortgage Loan Rights forming part of the Assets of the Trust, exercise its powers and discretions under the Servicing Deed, the Servicing Guidelines and the relevant Mortgage Documents to which it is a party in accordance with the standards and practices suitable for a prudent lender in the business of making retail home loans and in the best interests of the Covered Bond Guarantor following such collection procedures it follows with respect to comparable mortgage loans owned and serviced by it.

Under the Servicing Deed, the Servicer undertakes to, among other things:

(a) promptly ensure that any Mortgage Loan Document in relation to a Mortgage Loan following any amendment, consolidation, supplementation, novation or substitution of a Mortgage, is duly stamped (if liable to stamp duty) and duly registered (where registration is required) with the relevant land titles office to constitute, in the case of a Mortgage, a subsisting first-ranking registered mortgage over the relevant property;

(b) promptly notify the Covered Bond Guarantor, the Trust Manager and the Security Trustee of any material breach of the Servicing Guidelines by the Servicer in relation to the servicing of the Mortgage Loan Rights then forming part of the Assets of the Trust;

(c) upon receiving notice that a Borrower desires to repay a Mortgage Loan in full, prepare and make available documentation and make such calculations as are necessary to enable repayment of a Mortgage Loan and discharge of the corresponding Mortgage and any other Collateral Securities (provided that the Servicer is not required to discharge a Mortgage or any Collateral Security if it also secures another Mortgage Loan which is an Asset of the Trust);

(d) if a Perfection of Title Event occurs promptly deliver or procure delivery to the Covered Bond Guarantor of all Loan Files not otherwise provided to the Covered Bond Guarantor or the Trust Manager in accordance with the Mortgage Sale Agreement;

(e) if the Seller makes any Further Advance or otherwise provides further financial accommodation to a Borrower, ensure that any further stamp duty which becomes payable on the relevant Mortgage Documents as a result of such Further Advance or provision of financial accommodation is duly paid promptly in accordance with any applicable laws;

(f) duly and punctually perform its material obligations under the Servicing Deed and each of the Mortgage Documents and Programme Documents to which it is a party;

(g) assist and co-operate with the Covered Bond Guarantor and the Trust Manager in the Covered Bond Guarantor obtaining legal title to any Mortgage Loan Rights (to the extent not already held by it) forming part of the Assets of the Trust following a Perfection of Title Event;

(h) where any material amount of a Mortgage Loan has been written off as uncollectible in accordance with the Servicing Guidelines and the Servicing Deed, ensure that the documentation relevant to that Mortgage Loan is examined to determine whether the Representations and Warranties in respect of that Mortgage Loan were correct at the relevant Cut-Off Date and notify the Covered Bond Guarantor if they were incorrect;

(i) give the Covered Bond Guarantor or make available to the Covered Bond Guarantor by posting such Financial Reports to the Servicer's website, the audited Financial Reports of the Servicer for each financial year of the Servicer within 120 days of the end of that year;

(j) keep proper and adequate books of account (which may be kept electronically) for the Mortgage Loan Rights;

(k) subject to the provisions of the Privacy Act and the Servicer's duty of confidentiality to its clients under general law or otherwise, promptly make available to the Covered Bond Guarantor, the Trust Manager, the Auditor and the Security Trustee any books, reports or other oral or written information and supporting evidence of which the Servicer is aware that they reasonably request with respect to the Assets of the Trust from time to time or with respect to of the performance by the Servicer of its obligations under the Programme Documents;

(l) notify the Trust Manager and the Covered Bond Guarantor promptly if it becomes actually aware that any material representation or warranty made or taken to be made by or on behalf of the Seller or the Servicer in connection with a Programme Document is incorrect when made or taken to be made;

(m) within five Local Business Days of a request from the Covered Bond Guarantor, the Trust Manager or the Security Trustee, provide the Covered Bond Guarantor, the Trust Manager or the Security Trustee (as the case may be) with a certificate from the Servicer signed by two Authorised Officers of the Servicer on its behalf which states whether to the best of the Servicer's knowledge and belief a Servicer Default or, if the Servicer is the Seller, a Perfection of Title Event has occurred (provided that such a request may only be made once in each six calendar month period, unless the Covered Bond Guarantor, the Trust Manager or the Security Trustee (as the case may be) when making the request sets out reasonable grounds for believing that a Servicer Default or a Perfection of Title Event is subsisting);

(n) notify the Covered Bond Guarantor, the Trust Manager and the Security Trustee promptly after the Servicer becomes actually aware of any Servicer Default or the occurrence of any Perfection of Title Event and at the same time or as soon as possible thereafter provide full details thereof;

(o) comply with the requirements of any relevant laws in carrying out its obligations under the Programme Documents including the Consumer Credit Code and the National Consumer Credit Protection Laws;

(p) obtain and maintain all authorisations, filings and registrations necessary to properly service the Mortgage Loans;

(q) not merge or consolidate into another entity, unless the surviving entity assumes its rights and obligations as Servicer and (for so long as the Servicer is the Seller) the Seller under the Programme Documents and each Rating Agency is notified;

(r) subject to the provisions of the Australian Banking Act, not present any application or pass any resolution for the liquidation of the Servicer, or, subject to paragraph (q), enter into any scheme of arrangement, merger or consolidation with any other person or enter into any other scheme under which the Servicer ceases to exist, the assets or liabilities of the Servicer are vested in or assumed by any other person or either of those events occur;

(s) duly and punctually file all returns in respect of Tax which are required to be filed and pay, or procure payment when due, all Taxes and other outgoings payable by it as and when the same respectively become due and payable other than outgoings which are being contested in good faith and promptly pay or cause to be paid those contested outgoings after the final determination or settlement of such contest;

(t) not, without the prior consent of the Covered Bond Guarantor and the Security Trustee, apply, transfer or set off the whole or any part of any amount payable or owed to the Servicer or to which the Servicer is entitled under any Programme Document towards satisfaction of any obligation which is owed by the Servicer to the Covered Bond Guarantor or the Trust Manager under any other Programme Document, other than as contemplated under any other Programme Document;

(u) other than as a Secured Creditor, not claim any Security Interest, lien or other possessory right in any of the Assets of the Trust;

(v) following receipt of actual notice of a claim by a third party with respect to a challenge to the sale and/or assignment to the Covered Bond Guarantor of any Mortgage Loan Rights forming part of the Assets of the Trust, promptly give notice in writing of such action or claim to the Covered Bond Guarantor, the Security Trustee and the Trust;

(w) not transfer, assign, exchange or otherwise grant a Security Interest over the whole or any part of its right, title and interest in and to any Mortgage Loan Rights forming part of the Assets of the Trust;

(x) use reasonable efforts to cause all information provided by it to each Rating Agency in relation to the Trust to be complete and accurate in all material respects;

(y) upon being directed to do so by the Covered Bond Guarantor or the Trust Manager following the occurrence of a Perfection of Title Event, promptly take all action required or permitted by law to assist the Covered Bond Guarantor and the Trust Manager to perfect the Covered Bond Guarantor's legal title

to the Mortgage Loan Rights forming part of the Assets of the Trust in accordance with the requirements of the Servicing Deed and the other Programme Documents;

(z) comply with all other undertakings given by the Servicer in the Servicing Deed and the other Programme Documents;

(aa) make reasonable efforts to collect all moneys due under the terms and provisions of the Mortgage Loan Rights of the Trust and, to the extent such efforts will be consistent with the Servicing Deed and the other Programme Documents, follow such normal collection procedures as it deems necessary and advisable;

(bb) if a Mortgage Loan forming part of the Assets of the Trust is a Defaulted Mortgage Loan, take such action on such basis as the Covered Bond Guarantor and the Servicer may agree (in accordance and in conjunction with the Servicer's normal enforcement procedures) to enforce such Mortgage Loan and any related Mortgage Loan Rights (but only to the extent that the Servicer determines that enforcement proceedings should be taken) so as to maximise the return to the Covered Bond Guarantor, taking into account, inter alia, the timing of any enforcement proceedings provided that the Servicer will not be required to institute or continue litigation with respect to collection of any payment if there are reasonable grounds for believing:

(i) the provisions of such Mortgage Loan and any related Mortgage Loan Rights under which such payment is required are unenforceable; or

(ii) the payment is uncollectible; or

(iii) the likely proceeds from such litigation, in light of the expenses in relation to the litigation, do not warrant such litigation;

(cc) take such steps as are necessary to maintain the Covered Bond Guarantor's title to the Mortgage Loan Rights of the Trust;

(dd) not grant any extension of the time to maturity of a Mortgage Loan forming part of the Assets of the Trust beyond 30 years from the Settlement Date for the Mortgage Loan or allow any reduced monthly payment that would result in such an extension; and

(ee) if any amendment is made to the Servicing Guidelines to, upon request, deliver a copy of such amendment to the Covered Bond Guarantor, the Trust Manager, the Security Trustee and the Rating Agencies.

Powers of the Servicer

The Servicer has a number of express powers, which include but are not limited to the power:

(a) to release or substitute any Mortgage or First Layer of Collateral Security relating to a Mortgage Loan which is an Asset of the Trust provided that this is in accordance with the Servicing Guidelines or it is required by a Binding Provision or an order, decision, finding, judgment or determination of a Competent Authority or, in the Servicer's opinion, such action would be taken or required to be taken by a Competent Authority;

(b) subject to certain restrictions set out in the Servicing Deed (including the restriction identified in paragraph (dd) above), to vary, extend or relax the time to maturity, the terms of repayment or any other term of a Mortgage Loan and its related Mortgage and First Layer of Collateral Securities forming part of the Assets of the Trust;

(c) to release a Borrower from any amount owing under a Mortgage Loan forming part of the Assets of the Trust or any related Mortgage or First Layer Collateral Securities where the Servicer has written-off or determined to write-off that amount in accordance with the Servicing Standards or where it is required to do so by a Binding Provision or an order, decision, finding, judgment or determination of a Competent Authority or, in the Servicer's opinion, such action would be taken or required to be taken by a Competent Authority;

(d) subject to paragraphs (b) and (c), to waive any breach under, or compromise, compound or settle any claim in respect of, or release any party from an obligation or claim under, the Mortgage Loans or any related Mortgage or First Layer of Collateral Securities;

(e) subject to restrictions contained in the Servicing Deed, to enter into certain Priority Agreements, to consent to the creation or existence of any Security Interest in relation to any Land the subject of a Mortgage forming part of the Assets of the Trust;

(f) to institute litigation to recover amounts owing under a Mortgage Loan; and

(g) to take other enforcement action in relation to a Mortgage Loan as it determines should be taken.

The Servicing Deed provides that if the Servicer: (i) releases a Mortgage or First Layer of Collateral Security forming part of the Assets of the Trust; (ii) reduces the amount outstanding under, or varies the terms (including without limitation in relation to repayment) of, any Mortgage Loan, related Mortgage or First Layer of Collateral Security forming part of the Assets of the Trust; or (iii) grants other relief to a Borrower or the provider of a First Layer Collateral Security forming part of the Assets of the Trust, after having formed the opinion that such action would be taken or required by a Competent Authority, or pursuant to an order, finding, determination or judgment of a Competent Authority and it is determined that such order, finding, determination or judgment, in either case, was made as a result of the Seller or Servicer:

(a) breaching any Binding Provision, applicable regulation, statute or official directive at the time the Mortgage, the First Layer Collateral Security or the Mortgage Loan was granted or the Further Advance was made in respect of such Mortgage Loan (other than a Binding Provision, regulation, statute or official directive which provides for relief on equitable or like grounds where the Seller or Servicer was acting in accordance with the standards and practices suitable for a prudent lender in the business of making retail home loans); or

(b) not acting in accordance with the standards and practices suitable for a prudent lender in the business of making retail home loans,

then the Servicer must notify the Covered Bond Guarantor and the Trust Manager of its opinion or the making of such an order, decision, finding, judgment or determination (as applicable). In addition, the Seller or Servicer (as the case may be) must pay damages to the Covered Bond Guarantor by 10.00am on the Distribution Date next occurring after such notification is given by the Servicer.

The amount of such damages will be the amount agreed between the Covered Bond Guarantor (following consultation with the Trust Manager and acting on expert advice taken pursuant to the terms of the Establishment Deed, if necessary) and the Seller or the Servicer, as the case may be (or, failing agreement, by the Seller's or the Servicer's external auditors) as being sufficient to compensate the Covered Bond Guarantor for any losses suffered as a result of any release, reduction, variation or relief (as the case may be).

The amount of any damages cannot exceed the Current Principal Balance plus any accrued but unpaid interest in respect of the relevant Mortgage Loan (as recorded on the Mortgage Loan System) (calculated, in both cases, at the time of agreement between the Covered Bond Guarantor and the Seller or the Servicer or by the Seller's or the Servicer's external auditors, as the case may be).

Limitations on Servicer's liability

The Servicer will not incur any liability to any person in respect of any failure to act where such act will be hindered, prevented or forbidden by any present or future law. The Servicer will not be responsible to any person for any loss, damage, claim or demand incurred as a result of:

(a) the wilful default, fraud or negligence of the Security Trustee or the Covered Bond Guarantor (except, in the case of the Covered Bond Guarantor, where the Covered Bond Guarantor is the Servicer);

(b) the failure by the Servicer to check any document, certificate, schedule, form list or other document prepared or delivered to it by the Covered Bond Guarantor or the Trust Manager or any agent or consultant appointed by either of them and reasonably believed by the Servicer to be genuine; or

(c) any action taken by the Servicer in accordance with any written direction or instruction from the Covered Bond Guarantor or the Trust Manager,

except to the extent to which the loss, damage, claim or demand is caused by any fraud, negligence or wilful default by the Servicer.

The Servicer has agreed to be liable to the Covered Bond Guarantor or any other Secured Creditor in respect of any loss incurred by the Covered Bond Guarantor (subject to as described below) as a result of any breach by the Servicer of any term of the Servicing Deed, any fraud, negligence or wilful default by the Servicer or any breach or default by any other person appointed by the Servicer to perform its obligations under the Servicing Deed. The maximum amount which the Servicer will be liable to pay in respect of such breach, fraud, negligence or wilful default by the Servicer is the Current Principal Balance of the Mortgage Loan in respect of which such breach, fraud, negligence or wilful default occurred. The Servicer's liability does not include any damages in respect of consequential loss. The Covered Bond Guarantor may only claim damages from the Servicer in accordance with the foregoing by written notice setting out the grounds for the claim together with details of the calculation of the loss incurred by the Covered Bond Guarantor as a result thereof. The Servicer must pay any amounts due in respect of its liability to the Covered Bond Guarantor within seven Local Business Days of receipt by it of such written notice (which will represent prima facie evidence of such amounts).

Interest Rate Shortfall Test

The Servicer will, if the Interest Rate Swap is not in effect in accordance with its terms, determine on each Determination Date, having regard to:

(a) the fixed interest rate and the variable interest rate and any other discretionary rate or margin in respect of the Mortgage Loans in the which are Assets of the Trust which the Servicer proposes to set under the Servicing Deed for the Collection Period commencing on the Determination Date; and

(b) the other resources available to the Covered Bond Guarantor, including the Covered Bond Swap Agreements (if any) and the Reserve Fund (as advised by Trust Manager),

whether the Covered Bond Guarantor would receive an amount of income during the Collection Period commencing on the Determination Date which, when aggregated with the funds otherwise available to the Covered Bond Guarantor on the Distribution Date immediately following the Collection Period that commences on the Determination Date, is less than the amount which is the aggregate of: (i) the amount of interest which would be payable (or provisioned to be paid) by the Covered Bond Guarantor under the Intercompany Loan Agreement (or, if a Notice to Pay has been served on the Covered Bond Guarantor, the Covered Bond Guarantee), and the Demand Loan Agreement on the Distribution Date immediately following the Collection Period that commences on the Determination Date and the relevant amounts payable (or provisioned to be paid) to the Covered Bond Swap Providers under the Covered Bond Swap Agreements on the Distribution Date immediately following the Collection Period that commences on the Determination Date; and (ii) the other expenses payable (or provisioned to be paid) by the Covered Bond Guarantor on the Distribution Date immediately following the Collection Period that commences on the Determination Date ranking in priority to the amounts described in (i) in accordance with the relevant Priority of Payments applicable prior to a Covered Bond Guarantor Event of Default (the **Interest Rate Shortfall Test**). Any interest rate shortfall will be referred to as an **Interest Rate Shortfall**.

If the Servicer determines on any Determination Date that there is an Interest Rate Shortfall, it will give written notice to the Covered Bond Guarantor and the Seller (copied to the Trust Manager and the Security Trustee), within five Local Business Days of the relevant Determination Date, of the amount of the Interest Rate Shortfall and the fixed interest rate and the variable interest rate and the other discretionary rates or margins which would, in the Servicer's opinion, need to be set in order for no Interest Rate Shortfall to arise on the next succeeding Determination Date, having regard to the date(s) on which the changes to the fixed interest rate and the variable interest rate and the other discretionary rates or margins would take effect, following which: (i) (subject to the Servicing Deed), the Servicer must, to the extent permitted by the terms of the relevant Loan Agreements and all applicable laws, set the fixed interest rate and the variable interest rate (as the case may be) and/or other discretionary rates or margins applicable to Mortgage Loans which are Assets of the Trust at such levels; and/or (ii) the Trust Manager may notify the Servicer and the Seller that, having regard to the obligations of the Covered Bond Guarantor and the amount of the Interest Rate Shortfall, further Mortgage Loan Rights should be offered by the Seller to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement to rectify the Interest Rate Shortfall, in which case, the Seller will use all reasonable efforts to offer to sell in accordance with the Mortgage Sale Agreement sufficient Mortgage Loan Rights to ensure that there will not be an Interest Rate Shortfall on the next Determination Date.

Yield Shortfall Test

The Servicer will, if at any time following an Issuer Event of Default (and for so long as such Issuer Event of Default continues unremedied) or the service of an Asset Coverage Test Breach Notice (which has not been deemed to be revoked), the Interest Rate Swap is not in effect in accordance with its terms, determine on each Determination Date, having regard to the aggregate of:

(a) the fixed interest rate and the variable interest rate (as the case may be) and any other discretionary rate or margin, in respect of the Mortgage Loans forming part of the Assets of the Trust which the Servicer proposes to set under the Servicing Deed for the Collection Period commencing on the Determination Date; and

(b) the resources available to the Covered Bond Guarantor under the Covered Bond Swap Agreements (if any),

whether the Covered Bond Guarantor would receive an aggregate amount of interest from the Mortgage Loans which are Assets of the Trust and the amounts under the Swap Agreements during the Collection Period commencing on the Determination Date which would give a weighted average annual yield on the Mortgage Loans which are Assets of the Trust of at least equal to the Bank Bill Rate for the Collection Period commencing on the Determination Date plus 0.30 per cent. per annum (or such other percentage rate as may be determined from time to time by the Trust Manager and notified to each of the Covered Bond Guarantor, the Servicer and the Security Trustee and in respect of which the Issuer has issued a Rating Affirmation Notice) (the **Yield Shortfall Test**). Any yield shortfall shall be referred to as a **Yield Shortfall**.

If the Servicer determines that the Yield Shortfall Test will not be satisfied, it will give written notice to the Covered Bond Guarantor, the Trust Manager and the Security Trustee, within five Local Business Days of the relevant Determination Date, of the amount of the Yield Shortfall and the fixed interest rate and the variable interest rate and the other discretionary rates or margins which would, in the Servicer's opinion, need to be set in order for no Yield Shortfall to arise, and the Yield Shortfall Test to be satisfied, having regard to the date(s) on which the changes to the fixed interest rate and the variable interest rate and the other discretionary rates or margins would take effect, and at all times acting in accordance with the standards of a prudent lender in the business of making retail home loans. If the Covered Bond Guarantor or the Security Trustee notifies the Servicer that, having regard to the obligations of the Covered Bond Guarantor, the fixed interest rate and the variable interest rate and/or the other discretionary rates or margins should be increased, the Servicer must take all steps which are necessary and are in accordance with the standards and practices of a prudent lender in the business of making retail home loans to increase the fixed interest rate and the variable interest rate and/or any other discretionary rates or margins, including giving any notice which is required in accordance with the Mortgage Documents.

Remuneration

The Covered Bond Guarantor (acting on the directions of the Trust Manager) will, in accordance with the applicable Priority of Payments, pay an administration fee to the Servicer for the performance of its obligations under the Programme Documents, which will be agreed in writing between the Covered Bond Guarantor (acting on the directions of the Trust Manager), the Security Trustee and the Servicer from time to time. The Covered Bond Guarantor (acting on the directions of the Trust Manager) will on each Distribution Date, subject to the applicable Priority of Payments as further consideration for the Services supplied to it by the Servicer under the Servicing Deed reimburse the Servicer for all out-of-pocket costs, expenses and charges properly incurred by the Servicer in the performance of the Services, including any such costs, expenses or charges not reimbursed to the Servicer on any previous Distribution Date.

Collections

The Servicer acts as collecting agent for the Covered Bond Guarantor in respect of all payments in respect of the Mortgage Loan Rights forming part of the Assets of the Trust (including, without limitation, a Mortgage Loan Scheduled Payment). If the Servicer receives, during a Collection Period, any money whatsoever arising from the Mortgage Loans Rights forming part of the Assets of the Trust which money belongs to the Covered Bond Guarantor (for itself or as trustee of the CBA Trust) and such money is to be paid to the GIC Account pursuant to the Servicing Deed, the Servicer will hold such money on trust for the Covered Bond Guarantor and will ensure that all such moneys are capable of being readily identified at any time. All such amounts described above received by the Servicer during a Collection Period must be credited to the GIC Account either no later than one Local

Business Day before the Distribution Date immediately following the end of that Collection Period (for so long as the Servicer has credit ratings of at least P-1 from Moody's and F1 from Fitch and a long-term credit rating of at least A from Fitch (or, if Fitch has placed the Servicer on ratings watch negative at the relevant time, a short-term credit rating of at least F1+ from Fitch and a long-term credit rating of at least A+ from Fitch)) or, in any other case, within two Local Business Days of receipt.

The Servicer must, if it credits money received during a Collection Period to the GIC Account in accordance with the Servicing Deed, on the Distribution Date immediately following the end of that Collection Period, credit an additional amount to the GIC Account calculated as interest on the amount of that money for the period during which it was held by the Servicer. Any such interest is to be calculated on the Determination Date immediately following the end of the Collection Period by the Servicer in its absolute discretion on the daily balance of the amount of money for the period during which it was (or will be) held by the Servicer and at a rate of interest, for each Collection Period (or part thereof) during which the money is (or will be) held, equal to the applicable 30 day Bank Bill Rate on the first day of the Collection Period, or if that day is not a Local Business Day, on the immediately preceding Local Business Day.

Removal or resignation of the Servicer

A servicer default (**Servicer Default**) occurs if:

(a) the Servicer fails to remit any amounts due or any other amounts received in respect of the Mortgage Loan Rights then forming part of the Assets of the Trust to the Covered Bond Guarantor within the time periods specified in the Servicing Deed or the other Programme Document and such failure is not remedied within five Local Business Days (or such longer period as the Covered Bond Guarantor and the Trust Manager may agree to) of notice of such failure being given to the Servicer by the Trust Manager or the Covered Bond Guarantor;

(b) the Servicer fails to prepare and transmit a Reporting Statement by its due date and such failure is not remedied within 20 Local Business Days (or such longer period as the Covered Bond Guarantor and the Trust Manager may agree to) of notice being given to the Servicer by the Trust Manager or the Covered Bond Guarantor and such failure, as determined by the Security Trustee, acting on the directions of the Bond Trustee (subject to the provisions of the Bond Trust Deed) if there are Covered Bonds outstanding, is materially prejudicial to the Covered Bondholders or acting on the directions of the Majority Secured Creditors (if there are no Covered Bonds outstanding), is materially prejudicial to the Secured Creditors;

(c) an Insolvency Event occurs in relation to the Servicer;

(d) the Servicer has breached its obligations (other than those referred to in paragraphs (a) and (b) above), as Servicer under a Programme Document to which it is expressed to be a party and such breach in the opinion of the Security Trustee, acting on the directions of the Bond Trustee (subject to the provisions of the Bond Trust Deed) if there are Covered Bonds outstanding, is materially prejudicial to the Covered Bondholders or acting on the directions of the Majority Secured Creditors (if there are no Covered Bonds outstanding), is materially prejudicial to the Secured Creditors and:

    (i) that breach is not remedied to the Security Trustee's satisfaction within 20 Local Business Days after receipt by the Servicer of a notice in writing from the Trust Manager, the Covered Bond Guarantor or the Security Trustee requiring it to do so; or

    (ii) the Servicer has not paid compensation to the Covered Bond Guarantor for its loss from such breach in an amount satisfactory to the Trust Manager (acting reasonably); or

(e) the Servicer's unsecured, unsubordinated, long-term senior debt obligations have been downgraded below Baa3 by Moody's or BBB- by Fitch (or, if Fitch has placed the Servicer on ratings watch negative at the relevant time, below BBB by Fitch).

If the Trust Manager has determined that:

(a) the performance by the Servicer of its duties under the Servicing Deed is no longer permissible under any applicable law and the Trust Manager is satisfied that there is no reasonable action which the Servicer could take to make the performance of its duties under the Servicing Deed permissible under that applicable law; or

(b) a Servicer Default has occurred and is continuing,

then the Trust Manager must by written notice to the Servicer, immediately terminate the rights and obligations of the Servicer and appoint another appropriately qualified organisation to act in its place.

The Servicer will, within two Local Business Days after it becomes aware of any Servicer Default, give notice to the Covered Bond Guarantor, the Trust Manager and the Rating Agencies (and the Trust Manager must give notice to the Security Trustee and the Bond Trustee).

The Servicer may retire from its obligations and duties assumed by it pursuant to the Servicing Deed by three months' notice in writing to the Security Trustee, the Covered Bond Guarantor and the Trust Manager (or such lesser time as the Servicer, the Trust Manager and the Covered Bond Guarantor agree). Upon its retirement the Servicer may, subject to any approval required by law, appoint in writing another person approved by the Covered Bond Guarantor (acting reasonably) as Substitute Servicer in its place. If the Servicer does not propose a replacement by the date which is one month prior to the date of its proposed retirement, the Covered Bond Guarantor is entitled to appoint a Substitute Servicer as of the date of the proposed retirement. The Trust Manager will give or cause to be given prompt notice of the appointment of any Substitute Servicer in accordance with the Servicing Deed to each Rating Agency.

The purported appointment of a Substitute Servicer in the event of the termination or resignation of the Servicer has no effect until the Substitute Servicer executes an agreement under which it covenants to act as Servicer in accordance with the Servicing Deed and all other Programme Documents to which the Servicer is a party and the Issuer issues a Rating Affirmation Notice in relation to each Rating Agency in respect of the proposed appointment of the Substitute Servicer. Until the appointment of the Substitute Servicer is complete the Covered Bond Guarantor must act as Servicer (and is entitled to receive the fee payable to the Servicer in accordance with the Servicing Deed for the period during which the Covered Bond Guarantor so acts). While acting as Servicer, the Covered Bond Guarantor will not be liable for any inability to perform or deficiency in performing its obligations as a result of, amongst other things, a breach by the outgoing Servicer of its obligations, the state of affairs, books and records of the outgoing Servicer and any documents or files delivered by it (including, the inaccuracy or incompleteness thereof) or the inability of the Covered Bond Guarantor to obtain access to information, premises or equipment reasonably necessary for it to perform its obligations. The Trust Manager must give or cause to be given prompt notice of the appointment of the Substitute Servicer to each Rating Agency.

Neither the Security Trustee, the Covered Bond Guarantor nor the Trust Manager or their respective delegates (as the case may be) is liable for any Servicer Default except to the extent that the Servicer Default is caused by the Security Trustee's, the Covered Bond Guarantor's or the Trust Manager's or their respective delegate's (as the case may be) fraud, negligence or wilful default.

The Covered Bond Guarantor may settle with the Servicer the amount of any sums payable by the Servicer to the Covered Bond Guarantor or by the Covered Bond Guarantor to the Servicer and may give to or accept from the Servicer a discharge in respect of those sums which will be conclusive and binding as between the Covered Bond Guarantor and the Servicer and as between the Servicer and each other Secured Creditor. The Servicer and the Trust Manager have agreed to provide their full co-operation in the event of the appointment of a Substitute Servicer. The Servicer and the Trust Manager must (subject to the Privacy Act and the Servicer's duty of confidentiality to its customers under general law or otherwise) provide the Substitute Servicer with copies of all paper and electronic files, information and other materials in its possession (or in the possession or control of its attorney, delegate, agent or sub-agent) as the Covered Bond Guarantor or the Substitute Servicer may reasonably request within 90 days of the removal or retirement of the Servicer in accordance with the Servicing Deed.

The Security Trustee will not assume or have any of the obligations or liabilities of the Servicer, the Seller or the Covered Bond Guarantor.

The Servicing Deed is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Cover Pool Monitor Agreement

Under the terms of the Cover Pool Monitor Agreement entered into on or about the Programme Date between the Cover Pool Monitor, the Covered Bond Guarantor, the Trust Manager, the Bank (in its capacities as Issuer and Seller), the Bond Trustee and the Security Trustee, the Cover Pool Monitor has agreed, subject to due receipt of the information to be provided by the Trust Manager to the Cover Pool Monitor, to report factual findings of completion of certain agreed upon procedures, including with respect to the verification of the calculations

performed by the Trust Manager in respect of the Asset Coverage Test or the Amortisation Test, as applicable, and the Legislated Collateralisation Test on the Determination Date immediately prior to each yearly anniversary (and in the case of the Asset Coverage Test and the Legislated Collateralisation Test, each half yearly anniversary) of the Programme Date, for the purposes of determining compliance or non-compliance by the Covered Bond Guarantor with the Asset Coverage Test or the Amortisation Test, as applicable, and the Legislated Collateralisation Test on that Determination Date. In the case of the Asset Coverage Test and the Amortisation Test, the relevant test to be conducted by the Cover Pool Monitor depends on whether the Determination Date falls prior to or after a Notice to Pay is served on the Covered Bond Guarantor.

The Cover Pool Monitor has also agreed, subject to due receipt of the information to be provided by the Trust Manager to the Cover Pool Monitor, as soon as reasonably practicable following each Determination Date immediately preceding each half-yearly and yearly anniversary of the Programme Date (each, an **Assessment Date**), to perform the functions of the cover pool monitor in respect of the Assets of the Trust (for the purposes of the Australian Banking Act) to:

(a) assess the keeping by the Trust Manager of an accurate register of the Assets of the Trust; and

(b) assess the Issuer's and the Seller's compliance with sections 31 and 31A of the Australian Banking Act.

The Cover Pool Monitor must carry out the assessments above with a view to providing a report in accordance with the Cover Pool Monitor Agreement and may use sampling in accordance with the auditing standards made under the Australian Corporations Act in carrying out such assessment.

If the long-term, unsecured, unguaranteed and unsubordinated debt obligation credit ratings of the Issuer fall below Baa3 by Moody's or BBB- by Fitch (or, if Fitch has placed the Issuer on ratings watch negative at the relevant time, below BBB by Fitch) (and for as long as they remain below such credit ratings), the Cover Pool Monitor will, subject to receipt of the relevant information from the Trust Manager, be required to report on the results of performance of the agreed upon procedures with respect to the Asset Coverage Test and the Amortisation Test referred to above as soon as reasonably practicable (and in any event not later than 10 Local Business Days following receipt of the relevant information from the Trust Manager) following every Determination Date after any such downgrade.

If results of performance of the agreed upon procedures with respect to the Asset Coverage Test and the Amortisation Test conducted by the Cover Pool Monitor reveals arithmetic errors in the relevant calculations performed by the Trust Manager such that the Asset Coverage Test or the Amortisation Test was not satisfied on the applicable Determination Date (where the Trust Manager had recorded it as being satisfied) or the reported Adjusted Aggregate Mortgage Loan Amount or the reported Amortisation Test Aggregate Mortgage Loan Amount is mis-stated by the Trust Manager by an amount exceeding 1% of the actual Adjusted Aggregate Mortgage Loan Amount or the actual Amortisation Test Aggregate Mortgage Loan Amount, as applicable, (as at the date of the relevant Asset Coverage Test or the relevant Amortisation Test), the Cover Pool Monitor will be required to conduct such tests following every Determination Date for a period of six months thereafter.

The Cover Pool Monitor will be entitled to assume that all information provided to it by the Trust Manager for the purpose of performance of the agreed upon procedures referred to above is true and correct and complete and not misleading, and is not required to conduct an audit or other examination in respect of or otherwise take steps to verify the accuracy or completeness of such information. The Cover Pool Monitor Report, together with the reports prepared in respect of the records of the Assets of the Trust kept by the Trust Manager, will be delivered to the Issuer, the Seller, the Trust Manager, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee. The Issuer and/or the Bond Trustee may also provide any reports received from the Cover Pool Monitor with respect to:

(a) the keeping by the Trust Manager of an accurate register of the Assets of the Trust; and

(b) the Issuer's and the Seller's compliance with sections 31 and 31A of the Australian Banking Act,

to the Covered Bondholders from time to time. The Cover Pool Monitor is also required, following a written request from APRA, to provide copies of any such reports relating to the cover pool in accordance with the Cover Pool Monitor Agreement to APRA.

Pursuant to the Cover Pool Monitor Agreement, the Cover Pool Monitor has undertaken to:

(a) exercise reasonable skill and care in the performance of its obligations under the Cover Pool Monitor Agreement;

(b) to the extent permitted by law, comply with all material legal and regulatory requirements applicable to the conduct of its business so that it can lawfully attend to the performance of its obligations under the Cover Pool Monitor Agreement; and

(c) at all times:

  (i) be registered as an auditor under part 9.2 of the Australian Corporations Act; or

  (ii) hold an Australian Financial Services Licence which licence extends to the provision of financial services as Cover Pool Monitor; or

  (iii) be exempt from holding an Australian Financial Services Licence which exemption extends to the provision of financial services as Cover Pool Monitor.

The Covered Bond Guarantor will pay to the Cover Pool Monitor a fee for performing its obligations under the Cover Pool Monitor Agreement calculated based on the time spent performing those obligations agreed in writing from time to time between the Cover Pool Monitor, the Covered Bond Guarantor and the Trust Manager.

The Trust Manager may, at any time: (i) with the prior written consent of the Security Trustee, terminate the appointment of the Cover Pool Monitor by giving 40 Local Business Days prior written notice to the Cover Pool Monitor or (ii) terminate the appointment of the Cover Pool Monitor if the Cover Pool Monitor is unable or unwilling to comply with the requirements set out in section 30(2) or 30(3) of the Australian Banking Act, provided that, in each case, such termination may not be effective unless and until a replacement has been found by the Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Trust Manager (such a replacement to be approved by the Security Trustee who must give such approval if the replacement is an accountancy firm of national standing in Australia or a firm recognised as having expertise in managing assets on behalf of investors).

The Cover Pool Monitor may, at any time, resign by giving 20 Local Business Days prior written notice to the Issuer, the Covered Bond Guarantor, the Trust Manager, the Bond Trustee and the Security Trustee (copied to the Rating Agencies), except that such 20 Local Business Days' notice period will not be required if: (i) the Covered Bondholders agree to the resignation of the Cover Pool Monitor by Extraordinary Resolution or; (ii) the Cover Pool Monitor is required to resign pursuant to the applicable professional standards to which it is subject at the time of such resignation.

Upon giving notice of termination or receiving notice of resignation, the Trust Manager must use its best endeavours to promptly appoint a substitute Cover Pool Monitor pursuant to an agreement on substantially the same terms as the terms of the Cover Pool Monitor Agreement, to provide the services set out in the Cover Pool Monitor Agreement. If a substitute Cover Pool Monitor is not appointed by the date which is 20 Local Business Days prior to a Determination Date in respect of which the Trust Manager's calculations are to be verified in accordance with the terms of the Cover Pool Monitor Agreement, then the Trust Manager will use all reasonable endeavours to appoint an accountancy firm of national standing in Australia or a firm recognised as having expertise in managing assets on behalf of investors to carry out the relevant tests on a one-off basis. The Trust Manager must promptly notify the Rating Agencies of the appointment of any substitute Cover Pool Monitor or firm to carry out the relevant tests.

None of the Covered Bond Guarantor, the Bond Trustee nor the Security Trustee will be obliged to act as Cover Pool Monitor or to monitor or supervise the performance by the Cover Pool Monitor in any circumstances.

The Cover Pool Monitor Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Establishment Deed

The Establishment Deed, made between the Covered Bond Guarantor, the Trust Manager, and the Bank (as Issuer, Seller and Servicer), establishes the Trust and provides that the Covered Bond Guarantor will be the trustee of the Trust. Pursuant to the Establishment Deed, the Trust is established for purposes relating only to the Covered Bonds

including: (i) the acquisition, management and sale of, amongst other things, Mortgage Loan Rights; (ii) the borrowing of moneys to fund the acquisition of such assets; (iii) the hedging of risks associated with such assets and such funding; (iv) the acquisition, management and sale of Substitution Assets and Authorised Investments; (v) the giving of guarantees in respect of any Covered Bonds (including the Covered Bond Guarantee); (vi) the granting of security to secure repayment of any Covered Bonds and other liabilities in connection with the Programme; and (vii) any other purpose which is ancillary or incidental to the activities set out above.

Unitholders

The beneficial interest in the Assets of the Trust is vested in the Income Unitholder as holder of the Income Unit and the Capital Unitholder as holder of the Capital Unit. The Bank is the initial holder of both the Income Unit and the Capital Unit. Pursuant to the Establishment Deed, the Income Unitholder is entitled to distributions of the Net Trust Income, if any, of the Trust in respect of each Financial Year. The Capital Unitholder's interest in the Trust comprises (i) an interest in each Asset of the Trust remaining after payment of any amount due to the Income Unitholder in satisfaction of the Income Unitholder's entitlement to the Net Trust Income of the Trust; and (ii) except to the extent included in (i), on the termination of the Trust, the capital of the Trust remaining after the payment (or the provision for payment) of all other outgoings and amounts by the Covered Bond Guarantor.

The right of any Unitholder to recover any amounts in respect of its interests described above is limited to the Assets of the Trust available for distribution after payments or distributions have been made to all other parties under the relevant Priorities of Payment (except, in the case of the Income Unitholder, the Capital Unitholder).

The Capital Unit is non-transferable. The Income Unit may be transferred at any time, provided that the Income Unitholder is only entitled to transfer the Income Unit if the offer for sale, or the invitation to purchase the Income Unit, to the proposed transferee:

(a) is not made to a person who is a "retail client" (as defined in section 761G of the Australian Corporations Act); and

(b) complies with all applicable laws in all jurisdictions in which the offer or invitation is made.

A transfer of the Income Unit is not effective unless the name of the proposed transferee has been entered in the Unit Register by the Covered Bond Guarantor. The Covered Bond Guarantor may refuse to so enter a transferee's name for certain reasons set out in the Establishment Deed.

Asset Coverage Test

Under the terms of the Establishment Deed, the Trust Manager must ensure that, for so long as Covered Bonds remain outstanding, on each Determination Date prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Adjusted Aggregate Mortgage Loan Amount is at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date by the Trust Manager (the **Asset Coverage Test**). The Asset Coverage Test will also be calculated by the Trust Manager at any other time required for the purposes of determining if the Demand Loan can be repaid.

If on any Determination Date (the **First Determination Date**) prior to the service of a Notice to Pay on the Covered Bond Guarantor and/or a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Adjusted Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on such date by the Trust Manager, then the Asset Coverage Test as calculated on that First Determination Date will not be satisfied and the Trust Manager must immediately notify the Covered Bond Guarantor, the Seller, the Bond Trustee and the Security Trustee in writing and, in the case of paragraph (a) below, use all reasonable endeavours to arrange for the Covered Bond Guarantor to, and in the case of paragraphs (b) and (c) below, direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must:

(a) acquire sufficient further Mortgage Loan Rights from the Seller in accordance with the Mortgage Sale Agreement (see the section "*Mortgage Sale Agreement – Sale by the Seller of Mortgage Loan Rights*" in this Prospectus); and/or

(b) purchase Substitution Assets; and/or

(c) make drawings under the Demand Loan Agreement,

in each case, in order to ensure that the Asset Coverage Test is satisfied on any date on or before the immediately following Determination Date (the **Second Determination Date**) (by reference to the Adjusted Aggregate Mortgage Loan Amount and the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of all Covered Bonds, in each case as calculated on such date).

If the Covered Bond Guarantor, acting on the directions of the Trust Manager, has not taken sufficient action by the Second Determination Date, such that the Asset Coverage Test remains unsatisfied on the Second Determination Date then the Trust Manager must immediately notify the Covered Bond Guarantor, the Seller, the Bond Trustee and the Security Trustee in writing and the Bond Trustee must serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (subject to the Bond Trustee receiving notification from the Trust Manager or, if earlier, having actual knowledge or express notice that the Asset Coverage Test remains unsatisfied). The Bond Trustee will be deemed to revoke an Asset Coverage Test Breach Notice if, on the next Determination Date to occur following the service of an Asset Coverage Test Breach Notice, the Asset Coverage Test is satisfied and neither a Notice to Pay nor a Covered Bond Guarantee Acceleration Notice has been served. If the Bond Trustee is deemed to revoke an Asset Coverage Test Breach Notice, the Covered Bond Guarantor must immediately notify the Bond Trustee in writing.

Following service of an Asset Coverage Test Breach Notice (for so long as it has not been deemed to be revoked in accordance with the preceding paragraph):

(a) the Covered Bond Guarantor may be required to sell Selected Mortgage Loan Rights (as further described under "*Sale of Selected Mortgage Loan Rights following service of an Asset Coverage Test Breach Notice*");

(b) prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice or, if earlier, the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice, the Pre-Acceleration Priority of Payments will be modified as more particularly described in "*Cashflows – Allocation and distribution of Available Income Amount prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice*" below; and

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

If an Asset Coverage Test Breach Notice has been served and has not been deemed to be revoked as set out above on or before the next Determination Date to occur following the service of the Asset Coverage Test Breach Notice, then the Asset Coverage Test will be breached and an Issuer Event of Default will occur. The Bond Trustee will be entitled and in certain circumstances required to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor.

For the purposes of the above:

Adjusted Aggregate Mortgage Loan Amount means the amount calculated on each Determination Date as follows:

$$(A + B + C + D + E) - Z,$$

where:

A = means the lesser of:

(a) the aggregate of the LVR Adjusted Mortgage Loan Balance Amount of each Mortgage Loan forming part of the Assets of the Trust as at the Determination Date; and

(b) the aggregate of the Asset Percentage Adjusted Mortgage Loan Balance Amount of each Mortgage Loan forming part of the Assets of the Trust as at the Determination Date,

in each case, for the avoidance of doubt, excluding any Mortgage Loans being repurchased by the Seller on that Determination Date but including any Mortgage Loans being purchased by the Covered Bond Guarantor on that Determination Date.

The **LVR Adjusted Mortgage Loan Balance Amount** will be calculated for a Mortgage Loan, on the relevant Determination Date, as:

(a) for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan, the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as at the last day of the immediately preceding Collection Period; and

(ii) 80% of the Indexed Valuation for the Land the subject of a Mortgage which secures the Mortgage Loan as at the last day of the immediately preceding Collection Period (but without double counting across Mortgage Loans); and

(b) for each Mortgage Loan forming part of the Assets of the Trust that is then a Defaulted Mortgage Loan, zero,

less:

(A) where the Mortgage Loan was, in the immediately preceding Collection Period, known by the Trust Manager to be in breach of the Representations and Warranties made by the Seller in accordance with the Mortgage Sale Agreement in relation to that Mortgage Loan and the Seller has not repurchased the Mortgage Loan Rights to the extent required by the terms of the Mortgage Sale Agreement, an amount equal to the LVR Adjusted Mortgage Loan Balance Amount (calculated in accordance with paragraph (a) as at the last day of the immediately preceding Collection Period) for each Mortgage Loan to which this paragraph (A) applies; and

(B) where the Seller, in any preceding Collection Period, was in material breach of any other warranty under the Mortgage Sale Agreement and/or the Servicer was, in any preceding Collection Period, in material breach of a term of the Servicing Deed, an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Collection Period (such financial loss to be calculated by the Trust Manager without double counting and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by the Seller or by the Servicer (as applicable) to indemnify the Covered Bond Guarantor for such financial loss).

The **Asset Percentage Adjusted Mortgage Loan Balance Amount** will be calculated for a Mortgage Loan, on the relevant Determination Date, as the Asset Percentage multiplied by:

(a) for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan, the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as at the last day of the immediately preceding Collection Period; and

(ii) 100 per cent. of the Latest Valuation for the Land the subject of a Mortgage which secures the Mortgage Loan as at the last day of the immediately preceding Collection Period (but without double counting across Mortgage Loans); and

(b) for each Mortgage Loan forming part of the Assets of the Trust that is then a Defaulted Mortgage Loan, zero,

less:

(A) where the Mortgage Loan was, in the immediately preceding Collection Period, known by the Trust Manager to be in breach of the Representations and Warranties made by the Seller in accordance with the Mortgage Sale Agreement in relation to that Mortgage Loan and the Seller has not repurchased the Mortgage Loan Rights to the extent required by the terms of the Mortgage Sale Agreement, an amount equal to the Asset Percentage Adjusted Mortgage Loan Balance Amount (calculated pursuant to paragraph (a) above as at the last day of the immediately preceding Collection Period) for each Mortgage Loan to which this paragraph (A) applies; and

(B) where the Seller, in any preceding Collection Period, was in material breach of any other warranty under the Mortgage Sale Agreement and/or the Servicer was, in any preceding Collection Period, in material breach of a term of the Servicing Deed: an amount equal to the

resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Collection Period (such financial loss to be calculated by the Trust Manager without double counting and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by the Seller or by the Servicer (as applicable) to indemnify the Covered Bond Guarantor for such financial loss);

B = the aggregate amount of any proceeds of any Term Advances and/or any Demand Loan Advances which have not been applied as at the Determination Date;

C = the aggregate principal balance of any Substitution Assets and Authorised Investments as at the relevant Determination Date;

D = the aggregate amount of Principal Collections collected by the Servicer during the immediately preceding Collection Period and credited, or to be credited on the immediately following Distribution Date, to the GIC Account but excluding any amounts due to be applied on or before the immediately succeeding Distribution Date in accordance with the applicable Priority of Payments;

E = the aggregate amount as at the Determination Date of: (i) Sale Proceeds credited to the GIC Account (including the amount of any Sale Proceeds standing to the credit of the Pre-Maturity Ledger); (ii) the remaining Available Principal Amount credited to the GIC Account in accordance with paragraph (d) of the Pre-Acceleration Principal Priority of Payments (without double counting any amounts already covered in B and D above) and (iii) any amount transferred since the last Distribution Date from the OC Account to the GIC Account in accordance with the Establishment Deed which has not been applied as at the Determination Date; and

Z = the product of:

(a) the weighted average remaining maturity of all Covered Bonds (expressed in years) then outstanding calculated by the Trust Manager as at the Determination Date (provided that if the weighted average remaining maturity of all Covered Bonds (expressed in years) then outstanding is less than one, such weighted average remaining maturity will be deemed for the purposes of this calculation, to be one);

(b) the Australian Dollar Equivalent of the then aggregate Principal Amount Outstanding of the Covered Bonds;

(c) (i) for so long as the Interest Rate Swap is in effect in accordance with its terms, zero; or

(ii) otherwise, one; and

(d) the then Negative Carry Factor, where the **Negative Carry Factor** is the percentage rate per annum equal to the sum of:

(i) 0.50%; and

(ii) the weighted average of the Relevant Spread of each Series of Covered Bonds then outstanding determined by reference to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the applicable Series of Covered Bonds,

where the **Relevant Spread** is:

(A) in the case of a Series of floating rate Covered Bonds the Specified Currency of which is Australian Dollars and in respect of which no Covered Bond Swap has been entered into, the Margin for the Series specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement); and

(B) in any other case the Floating Rate Payer Spread in the applicable Covered Bond Swap.

For the purposes of the above, the **Asset Percentage** means, on any Determination Date, the lesser of:

(a) 95%;

(b) such percentage figure determined on or about the Programme Date and on each Determination Date thereafter falling in February, May, August and November of each year (and on such other dates as may

be agreed between the Issuer and the Trust Manager) in accordance with the terms of the Establishment Deed, being the percentage figure that is necessary to ensure that the Covered Bonds maintain the then current ratings assigned to them by Fitch; and

(c) such percentage figure as may be selected by the Trust Manager, from time to time, in accordance with the terms of the Establishment Deed, and notified to Moody's and the Security Trustee on the Determination Date, or if no notification is made to Moody's and the Security Trustee on such Determination Date, on the last date of such notification. If the Trust Manager so elects to notify Moody's and the Security Trustee of a new percentage figure (without being obliged to do so), this percentage figure will be the difference between 100 and the percentage amount of credit enhancement that is necessary to ensure that there is sufficient credit enhancement for the Covered Bonds to achieve an Aaa rating by Moody's using Moody's expected loss methodology (regardless of the actual Moody's rating of the Covered Bonds at the time); and

(d) such other percentage figure as may be determined by the Issuer from time to time and notified to each of the Covered Bond Guarantor and the Trust Manager.

There is no obligation on the Covered Bond Guarantor, the Trust Manager or the Issuer to ensure that an AAA rating is maintained by Fitch or an Aaa rating is maintained by Moody's and neither the Issuer nor the Trust Manager is under an obligation to change the percentage figure selected by it and notified to Fitch or Moody's, as applicable, and the Security Trustee in line with the level of credit enhancement required to ensure an AAA rating is maintained by Fitch or an Aaa rating by Moody's.

Amortisation Test

The Trust Manager must ensure that for so long as Covered Bonds are outstanding on each Determination Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Amortisation Test Aggregate Mortgage Loan Amount will be at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date (the **Amortisation Test**).

If on any Determination Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Amortisation Test Aggregate Mortgage Loan Amount is less than the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date, the Amortisation Test will not be satisfied and a Covered Bond Guarantor Event of Default will occur. The Trust Manager must immediately notify the Covered Bond Guarantor and the Security Trustee and (if any Covered Bonds are outstanding) the Bond Trustee of any breach of the Amortisation Test.

The **Amortisation Test Aggregate Mortgage Loan Amount** will be calculated by the Trust Manager on each Determination Date following the service of a Notice to Pay on the Covered Bond Guarantor as follows:

A+B+C-Z

where:

A = the aggregate of the **Amortisation Test Current Principal Balance** of each Mortgage Loan, which will be the product of:

(a) the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as calculated on the last day of the immediately preceding Collection Period; and

(ii) 80% of the Indexed Valuation for the Land the subject of a Mortgage which secures the Mortgage Loan as at the last day of the immediately preceding Collection Period (but without double counting across Mortgage Loans); and

(b) M, where:

(i) for each Mortgage Loan that is not then a Defaulted Mortgage Loan, M = 1.0; or

(ii) for each Mortgage Loan that is then a Defaulted Mortgage Loan, M = zero;

B = the sum of the amount of any cash standing to the credit of the GIC Account and the principal amount of any Authorised Investments (excluding any Finance Charge Collections received in the immediately preceding Collection Period and any principal amounts due to be applied on or before the next Distribution Date in accordance with the applicable Priority of Payments);

C = the aggregate principal balance of any Substitution Assets not taken into account elsewhere in this calculation; and

Z = the product of:

(a) the weighted average remaining maturity of all Covered Bonds (expressed in years) then outstanding;

(b) the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds;

(c) (i) for so long as the Interest Rate Swap is in effect in accordance with its terms, zero; or

(ii) otherwise, one; and

(d) the Negative Carry Factor.

Legislated Collateralisation Test

For so long as any Covered Bonds are outstanding, the Issuer must ensure that on each Determination Date, the Legislated Asset Amount will be at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds as calculated on the relevant Determination Date (the **Legislated Collateralisation Test**). The Trust Manager will perform all calculations required in respect of the Legislated Collateralisation Test on each Determination Date and any other date on which it is required to do so under any Programme Document.

The **Legislated Asset Amount** means the amount calculated on each Determination Date as follows (or as may otherwise be determined by the Issuer so as to comply with the requirements of section 31A of the Australian Banking Act):

$$(A + B + C + D + E) \times CP - ASL$$

where:

A = the Legislated Mortgage Loan Balance Amount;

The **Legislated Mortgage Loan Balance Amount** will be calculated for a Mortgage Loan, on the relevant Determination Date, as:

(a) for each Mortgage Loan forming part of the Assets of the Trust that is not then a Defaulted Mortgage Loan, the lesser of:

(i) the outstanding Current Principal Balance of the Mortgage Loan as at the last day of the immediately preceding Collection Period; and

(ii) 80% (or such other percentage figure required to comply with the Australian Banking Act) of the Latest Valuation of the Land which secures the Mortgage Loan (the **Relevant Mortgage Loan**) as at the last day of the immediately preceding Collection Period provided that to the extent that the Land also secures any other loans which rank, as against that Land, in priority to or equally with the Relevant Mortgage Loan (each, an **Additional Mortgage Loan**), then the Latest Valuation for that Property is to be discounted by multiplying it with the ratio of:

(A) the outstanding Current Principal Balance of the Relevant Mortgage Loan as at the last day of the immediately preceding Collection Period; to

(B) the aggregate outstanding Current Principal Balance of the Relevant Mortgage Loan and each Additional Mortgage Loan at the last day of the immediately preceding Collection Period,

(b) for each Mortgage Loan forming part of the Assets of the Trust that is a Defaulted Mortgage Loan, zero;

less:

(A) where the Mortgage Loan was, in the immediately preceding Collection Period, known by the Trust Manager to be in breach of the Representations and Warranties made by the Seller in accordance with the Mortgage Sale Agreement in relation to that Mortgage Loan and the Seller has not repurchased the Mortgage Loan Rights to the extent required by the terms of the Mortgage Sale Agreement, an amount equal to the Legislated Mortgage Loan Balance Amount (calculated pursuant to paragraph (a) above as at the last day of the immediately preceding Collection Period) for each Mortgage Loan to which this paragraph (A) applies; and

(B) where the Seller, in any preceding Collection Period, was in material breach of any other warranty under the Mortgage Sale Agreement and/or the Servicer was, in any preceding Collection Period, in material breach of a term of the Servicing Deed: an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Collection Period (such financial loss to be calculated by the Trust Manager without double counting and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by the Seller or by the Servicer (as applicable) to indemnify the Covered Bond Guarantor for such financial loss),

in each case, for the avoidance of doubt, excluding any Mortgage Loans being repurchased by the Seller on such Determination Date but including any Mortgage Loans being purchased by the Covered Bond Guarantor on such Determination Date;

B = the aggregate amount of any proceeds of any Term Advances and/or any Demand Loan Advances which have not been applied as at the Determination Date;

C = the aggregate principal balance of any Substitution Assets and Authorised Investments as at the relevant Determination Date;

D = the aggregate amount of Principal Collections collected by the Servicer during the immediately preceding Collection Period and credited, or to be credited on the immediately following Distribution Date, to the GIC Account but excluding any amounts due to be applied on or before the immediately succeeding Distribution Date in accordance with the applicable Priority of Payments;

E = the aggregate amount as at the Determination Date of (i) Sale Proceeds credited to the GIC Account (including the amount of any Sale Proceeds standing to the credit of the Pre-Maturity Ledger); (ii) the remaining Available Principal Amount credited to the GIC Account in accordance with paragraph (d) of the Pre-Acceleration Principal Priority of Payments (without double counting any amounts already covered in B and D above) and (iii) any amount transferred since the last Distribution Date from the OC Account to the GIC Account in accordance with the Establishment Deed which has not been applied as at the Determination Date;

$CP = \frac{1}{1.03}$; and

ASL = any amounts payable by the Covered Bond Guarantor in accordance with:

(a) paragraphs (a) to (e) (inclusive) of the Pre-Acceleration Income Priority of Payments and paragraphs (a) to (e) (inclusive) of the Pre-Acceleration Principal Priority of Payments;

(b) paragraphs (a) to (h) (inclusive) of the Guarantee Priority of Payments; or

(c) paragraphs (a) to (g) (inclusive) of the Post-Enforcement Priority of Payments,

whichever Priority of Payments is applicable at the relevant Determination Date.

The Issuer is required to comply with the minimum over-collateralisation requirements set out in the Australian Banking Act and, for that purpose, the Legislated Collateralisation Test as described above. As the Legislated Collateralisation Test is a minimum requirement, the Issuer expects that the Legislated Mortgage Loan Balance Amount will always be greater than the LVR Adjusted Mortgage Loan Balance Amount, Asset Percentage Mortgage Loan Balance Amount and Amortisation Test Aggregate Mortgage Loan Amount and accordingly, the

Legislated Collateralisation Test will be satisfied in all circumstances in which the Asset Coverage Test or the Amortisation Test, as applicable, is satisfied.

Transfers from OC Account

The Bank may on any day, in its absolute discretion, direct the Trust Manager in writing (copied to the Covered Bond Guarantor) to transfer any amount standing to the credit of the OC Account to the GIC Account (with a corresponding credit to the Principal Ledger). Upon receipt of a written direction from the Bank, the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, transfer any amount standing to the credit of the OC Account to the GIC Account (with a corresponding credit to the Principal Ledger).

Any amount transferred to the GIC Account in accordance with the preceding paragraph will form part of the Available Principal Amount to be applied on the following Distribution Date in accordance with the applicable Priority of Payments.

Except to the extent transferred to the GIC on the written direction of the Bank, the amount standing to the credit of the OC Account can only be applied in repayment of the Demand Loan and accordingly, will not be available to make payments in respect of the Covered Bond Guarantee to Covered Bondholders and Couponholders.

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

The Establishment Deed provides for the sale of Selected Mortgage Loan Rights in circumstances where the Pre-Maturity Test has been breached in relation to a Series of Hard Bullet Covered Bonds. The Pre-Maturity Test will be breached in relation to a Series of Hard Bullet Covered Bonds if the Issuer's short-term credit rating from Moody's falls to P-2 (or lower) or from Fitch is less than F1+ and the Final Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date. Following a breach of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds, the Trust Manager must (after taking into account the amount standing to the credit of the Pre-Maturity Ledger) direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must on that direction, immediately commence an offer process to sell Selected Mortgage Loan Rights to Purchasers, subject to the rights of pre-emption of the Seller to buy the Selected Mortgage Loan Rights pursuant to the terms of the Mortgage Sale Agreement and subject to any Pre-Maturity Demand Loan Advance having been made by the Demand Loan Provider from time to time in accordance with the Mortgage Sale Agreement (after taking into account, to the extent possible, any Available Income Amount or Available Principal Amount to be applied on the next Distribution Date as a credit to the Pre-Maturity Ledger in accordance with the Establishment Deed). The proceeds from any such sale that forms part of the Available Principal Amount will be credited to the Pre-Maturity Ledger and deposited into the GIC Account.

If the Issuer fully repays a Series of Hard Bullet Covered Bonds on their Final Maturity Date, any amount standing to the credit of the Pre-Maturity Ledger on the GIC Account in respect of the Series of Hard Bullet Covered Bonds following such repayment in full must be applied by the Covered Bond Guarantor, acting on the directions of the Trust Manager, in accordance with the applicable Priority of Payments unless the Issuer is in breach of the Pre-Maturity Test in respect of any other Series of Hard Bullet Covered Bonds, in which case the Trust Manager must ensure that sufficient cash is retained on the Pre-Maturity Ledger in order to provide liquidity for that other Series of Hard Bullet Covered Bonds. Otherwise, the proceeds will be applied in accordance with the applicable Priority of Payments.

For a description of the Pre-Maturity Test, see "*Credit Structure – Pre-Maturity Test*" below.

Sale of Selected Mortgage Loan Rights following service of an Asset Coverage Test Breach Notice

Following service of an Asset Coverage Test Breach Notice (which has not been deemed to be revoked) (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Covered Bond Guarantor will, subject to first utilising the proceeds of any advance made by the Demand Loan Provider under the Demand Loan Agreement, be obliged to sell Selected Mortgage Loan Rights forming part of the Assets of the Trust to Purchasers in accordance with the Establishment Deed (as described below), subject to the rights of pre-emption in favour or the Seller to buy the Selected Mortgage Loan Rights pursuant to the Mortgage Sale Agreement. The proceeds from any such sale will be deposited into the GIC Account and applied as set out in the sections "*Allocation and distribution of Available Income Amount following service of an Asset Coverage Test Breach Notice*" *and* "*Allocation and distribution of Available Principal Amount following service of an Asset Coverage Test Breach Notice*" in this Prospectus.

Sale of Selected Mortgage Loan Rights following service of a Notice to Pay

After a Notice to Pay has been served on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Covered Bond Guarantor will be obliged to sell Selected Mortgage Loan Rights forming part of the Assets of the Trust in accordance with the Establishment Deed (as described below), subject to the rights of pre-emption in favour of the Seller to buy the Selected Mortgage Loan Rights pursuant to the Mortgage Sale Agreement. The proceeds from any such sale will be deposited into the GIC Account and applied in accordance with the applicable Priority of Payments.

Method of Sale of Selected Mortgage Loan Rights

If the Covered Bond Guarantor is required to sell Selected Mortgage Loan Rights to Purchasers following the Demand Loan Provider requesting repayment of all or part of the Demand Loan (subject to satisfaction of the Asset Coverage Test), service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor, a breach of the Pre-Maturity Test or the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Trust Manager must ensure that before offering Selected Mortgage Loan Rights for sale:

(a) the Selected Mortgage Loan Rights are selected on a basis that is representative of the Mortgage Loan Rights forming part of the Assets of the Trust; and

(b) the Mortgage Loans relating to the Selected Mortgage Loan Rights have an aggregate Current Principal Balance in an amount (the **Required Current Principal Balance Amount**) which is as close as possible to the amount calculated as follows:

(i) following the service of an Asset Coverage Test Breach Notice (but prior to the service of a Notice to Pay), such amount that would ensure that, if the Mortgage Loans relating to the Selected Mortgage Loan Rights were sold at their Current Principal Balance plus the arrears of interest and accrued interest, the Asset Coverage Test would be satisfied on the next Determination Date taking into account the payment obligations of the Covered Bond Guarantor on the Distribution Date following that Determination Date; or

(ii) following a breach of the Pre-Maturity Test or service of a Notice to Pay:

$$N \times \frac{\begin{array}{c}Aggregate\ Current\ Principal\ Balance\ for\ all\ Mortgage\ Loans \\ forming\ part\ of\ the\ Assets\ of\ the\ Trust\end{array}}{\begin{array}{c}Aggregate\ Australian\ Dollar\ Equivalent\ of\ the\ Required\ Redemption\ Amount\ in \\ respect\ of\ each\ Series\ of\ Covered\ Bonds\ then\ outstanding\end{array}}$$

where "**N**" is an amount equal to the Australian Dollar Equivalent of:

(x) in respect of Selected Mortgage Loan Rights being sold following a breach of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds, the Required Redemption Amount of each Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached less amounts standing to the credit of the Pre-Maturity Ledger; or

(y) in respect of Selected Mortgage Loan Rights being sold following the service of a Notice to Pay on the Covered Bond Guarantor, the Required Redemption Amount of the Earliest Maturing Covered Bonds less amounts standing to the credit of the GIC Account and the principal amount of any Authorised Investments and Substitution Assets that have not been sold in accordance with the Establishment Deed (excluding all amounts to be applied on the next following Distribution Date to repay higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds) (see "*Limit on Investing in Substitution Assets and Authorised Investments*" below).

For the avoidance of doubt, the Selected Mortgage Loan Rights may comprise all of the Mortgage Loan Rights then forming part of the Assets of the Trust.

For the purposes of calculating the Required Current Principal Balance Amount pursuant to paragraph (b)(ii) above, the Negative Carry Factor for the purposes of determining the Required Redemption Amount will be:

(a) zero, for so long as the Interest Rate Swap is in effect in accordance with its terms; or

(b) calculated in accordance with Adjusted Aggregate Mortgage Loan Amount formula, if the Interest Rate Swap is not in effect in accordance with its terms.

The Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, offer the Selected Mortgage Loan Rights for sale to Purchasers for the best price reasonably available but in any event:

(a) following the service of an Asset Coverage Test Breach Notice (but prior to the service of a Notice to Pay), for an amount not less than the Current Principal Balance of the Mortgage Loans relating to the Selected Mortgage Loan Rights plus the arrears of interest and any accrued interest; and

(b) following a breach of the Pre-Maturity Test or service of a Notice to Pay on the Covered Bond Guarantor, for an amount not less than the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds.

Following a breach of the Pre-Maturity Test or the service of a Notice to Pay on the Covered Bond Guarantor if the Selected Mortgage Loan Rights have not been sold (in whole or in part) in an amount equal to the Adjusted Required Redemption Amount by the date which is six months prior to, either:

(a) the Final Maturity Date in respect of the Earliest Maturing Covered Bonds (after taking into account all payments, provisions and credits to be made in priority thereto) (where the Covered Bonds are not subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee);

(b) the Extended Due for Payment Date in respect of the Earliest Maturing Covered Bonds (after taking into account all payments, provisions and credits to be made in priority thereto) (where the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee); or

(c) in respect of a sale in connection with a breach of the Pre-Maturity Test, the Final Maturity Date of the relevant Series of Hard Bullet Covered Bonds,

then the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, offer the Selected Mortgage Loan Rights for sale for the best price reasonably available notwithstanding that such amount may be less than the Adjusted Required Redemption Amount.

Following the service of a Notice to Pay on the Covered Bond Guarantor but prior to the occurrence of a Covered Bond Guarantor Event of Default, in addition to offering Selected Mortgage Loan Rights for sale to Purchasers in respect of the Earliest Maturing Covered Bonds, the Covered Bond Guarantor, acting on the directions of the Trust Manager (subject to the right of pre-emption in favour of the Seller in the Mortgage Sale Agreement), is permitted to offer for sale a portfolio of Selected Mortgage Loan Rights, in accordance with the provisions summarised above and below, in respect of other Series of Covered Bonds.

The Covered Bond Guarantor, acting on the directions of the Trust Manager, will also be permitted to offer for sale to Purchasers part of any portfolio of Selected Mortgage Loan Rights (a **Partial Portfolio**). Except in circumstances where the portfolio of Selected Mortgage Loan Rights is being sold within six months of, as applicable, the Final Maturity Date or, if the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee, the Extended Due for Payment Date in respect of the Series of Covered Bonds to be repaid from such proceeds, the sale price of the Partial Portfolio must (as a proportion of the Adjusted Required Redemption Amount) be at least equal to the proportion that the aggregate Current Principal Balance of the Mortgage Loans in the Partial Portfolio bears to the aggregate Current Principal Balance of the Mortgage Loans in the relevant portfolio of Selected Mortgage Loan Rights.

The Trust Manager will through a tender process appoint a portfolio manager of recognised standing on a basis intended to incentivise the portfolio manager to achieve the best price for the sale of the Selected Mortgage Loan Rights (if such terms are commercially available in the market) to advise the Covered Bond Guarantor in relation to the sale of the Selected Mortgage Loan Rights to Purchasers (except where the Seller is buying the Selected Mortgage Loan Rights in accordance with its right of pre-emption in the Mortgage Sale Agreement). The terms of the agreement giving effect to the appointment in accordance with such tender shall be approved by the Security Trustee. The Security Trustee must approve the appointment of the portfolio manager if two Authorised Officers of the Trust Manager have certified to the Security Trustee that (i) the portfolio manager is an investment bank or accountant of recognised standing; and (ii) that such appointment is on a basis intended to incentivise the portfolio

manager to achieve the best price for the sale of the Selected Mortgage Loan Rights (on terms which are commercially available in the market), which certificate will be conclusive and binding on all parties.

In respect of any sale of Selected Mortgage Loan Rights following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (if not deemed to have been revoked) or a Notice to Pay, the Trust Manager must instruct the portfolio manager to use all reasonable endeavours to procure that Selected Mortgage Loan Rights are sold as quickly as reasonably practicable (in accordance with the recommendations of the portfolio manager), taking into account the market conditions at that time and the scheduled repayment dates of the Covered Bonds and the terms of the Establishment Deed.

The terms of any sale and purchase agreement with respect to the sale of Selected Mortgage Loan Rights (which shall give effect to the recommendations of the portfolio manager) will be subject to the prior written approval of the Security Trustee (acting on the directions of the Bond Trustee or, if no Covered Bonds are outstanding, the Majority Secured Creditors) (unless the Selected Mortgage Loan Rights are being sold to the Seller following the exercise of its rights of pre-emption in the Mortgage Sale Agreement). The Security Trustee will only be required to release the Selected Mortgage Loan Rights from the Security in accordance with the conditions relating to the release of the Security (as described under "*Security Deed – Release of Security*" below).

Following the service of a Notice to Pay on the Covered Bond Guarantor, if Purchasers accept the offer or offers from the Covered Bond Guarantor so that some or all of the Selected Mortgage Loan Rights will be sold prior to the next following Final Maturity Date or, if the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee, the next following Extended Due for Payment Date in respect of the Earliest Maturing Covered Bonds, then the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, subject to the prior written approval of the Security Trustee, enter into a sale and purchase agreement with the relevant Purchasers, which will require, amongst other things, a cash payment from the relevant Purchasers. Any such sale will not include any representations or warranties from the Covered Bond Guarantor or the Seller in respect of the Selected Mortgage Loan Rights unless expressly agreed by the Security Trustee or otherwise agreed with the Seller.

Limit on Investing in Substitution Assets and Authorised Investments

Provided no Asset Coverage Test Breach Notice is outstanding, there has been no breach of the Pre-Maturity Test and prior to the service of a Notice to Pay on the Covered Bond Guarantor, the Trust Manager may direct the Covered Bond Guarantor to, and if so directed the Covered Bond Guarantor must, make any payments required in order to invest the Available Income Amount, the Available Principal Amount and the proceeds of Term Advances and Demand Loan Advances standing to the credit of the GIC Account in Substitution Assets, provided that:

(a) the aggregate amount so invested in:

  (i) Substitution Assets does not exceed 15% of the total Assets of the Trust at any one time (or such other percentage required to ensure compliance with any limits in the Australian Banking Act on substitution assets that may collateralise covered bonds); and

  (ii) any particular class of Substitution Assets does not exceed any limits in the Australian Banking Act on substitution assets of that class that may collateralise covered bonds; and

(b) such investments are made in accordance with the terms of the Management Agreement and the Establishment Deed.

Depositing any amounts in any Trust Account will not constitute an investment in Substitution Assets for these purposes.

Following the service of a Notice to Pay on the Covered Bond Guarantor or a breach of the Pre-Maturity Test, all Substitution Assets (other than any Substitution Asset that is also an Authorised Investment) will be sold by the Covered Bond Guarantor, acting on the directions of the Trust Manager, as soon as reasonably practicable, and the proceeds must be credited to the GIC Account after which the Covered Bond Guarantor, acting on the directions of the Trust Manager, will be permitted to make any payments required in order to invest all available moneys in Authorised Investments, provided that such sales or investments are made in accordance with the terms of the Management Agreement and the Establishment Deed.

Covenants of the Covered Bond Guarantor

The Covered Bond Guarantor covenants that it will in respect of the Trust:

(a) act continuously as trustee until the Vesting Date of the Trust or until it has retired or has been removed in accordance with the Establishment Deed;

(b) exercise all due diligence and vigilance in carrying out its functions and duties and in protecting the rights and interests of the Unitholders and the Secured Creditors;

(c) do everything and take all such actions which are necessary (including obtaining all such authorisations and approvals as are appropriate) to ensure that it is able to maintain its status as trustee of the Trust and to perform all its obligations under the Establishment Deed and the other Programme Documents;

(d) subject to and in accordance with the Programme Documents, retain the Assets of the Trust in safe custody and hold them on trust for the Unitholders of the Trust upon the terms of the Establishment Deed and the other Programme Documents;

(e) not sell, grant a Security Interest over or part with the possession of any of the Assets of the Trust (or permit any of its officers to do so) except as permitted by the Establishment Deed, the Security Deed and the other Programme Documents;

(f) forward promptly to the Trust Manager and the Bond Trustee all notices, reports, circulars and other documents received by it as holder of the Assets of the Trust;

(g) act honestly and in good faith in the performance of its duties and in the exercise of its discretions under the Establishment Deed and the Programme Documents;

(h) exercise such diligence and prudence as a prudent man of business would exercise in performing its express functions and in exercising its discretions under the Establishment Deed having regard to the interests of the Unitholders of the Trust;

(i) use its best endeavours to carry on and conduct its business in so far as it relates to the Establishment Deed and the Trust in a proper and efficient manner;

(j) remain Tax Resident in Australia throughout the period for which it is acting as trustee of the Trust;

(k) not perform any of its duties or exercise any rights in relation to the Trust, or otherwise manage the Trust, outside Australia;

(l) use its best endeavours to ensure that the Covered Bond Guarantor's title to each Asset of the Trust is maintained; and

(m) notify the Trust Manager and the Bond Trustee promptly after the Covered Bond Guarantor becomes actually aware of the occurrence of any Covered Bond Guarantor Termination Event and at the same time or as soon as possible thereafter provide full details of such Covered Bond Guarantor Termination Event.

Indemnification of Covered Bond Guarantor

Subject to the applicable Priority of Payments, the Covered Bond Guarantor will be indemnified out of the Assets of the Trust against any liability properly incurred by the Covered Bond Guarantor in performing or exercising any of its powers or duties in relation to the Trust except to the extent that any such liability is caused by the Covered Bond Guarantor's fraud, negligence or wilful default.

Subject to the applicable Priority of Payments, the Covered Bond Guarantor will be indemnified and is entitled to be reimbursed out of the Assets of the Trust in respect of all costs, charges and expenses which it may incur in respect of and can attribute to the Trust in accordance with the Establishment Deed and the other Programme Documents.

Removal and resignation of Covered Bond Guarantor

The Covered Bond Guarantor must retire as trustee of the Trust if:

(a) having been required to do so by the Trust Manager by notice in writing, the Covered Bond Guarantor fails or neglects within 20 Business Days (or such longer period as the Trust Manager may agree to) after receipt of such notice to carry out or satisfy any material duty or obligation imposed on the Covered Bond Guarantor by any Programme Document;

(b) an Insolvency Event occurs with respect to the Covered Bond Guarantor in its personal capacity;

(c) the Covered Bond Guarantor ceases or threatens to cease to carry on business or substantially the whole of its business;

(d) the Covered Bond Guarantor merges or consolidates into another entity, unless approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the commercial reputation and standing of the surviving entity will not be less than that of the Covered Bond Guarantor prior to such merger or consolidation, and unless the surviving entity assumes the obligations of the Covered Bond Guarantor under the Programme Documents;

(e) there is a change in the ownership of 50% or more of the issued equity share capital of the Covered Bond Guarantor from the position as at the date of the Establishment Deed, or effective control of the Covered Bond Guarantor alters from the position as at the date of the Establishment Deed, unless in either case approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the change in ownership or control of the Covered Bond Guarantor will not result in a lessening of the commercial reputation and standing of the Covered Bond Guarantor; or

(f) (i) an Extraordinary Resolution requiring the removal of the Covered Bond Guarantor as trustee of the Trust is passed at a meeting of Covered Bondholders of all Series taken together as a single Series with the nominal amount of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate; and

(ii) such retirement is approved in writing by each Secured Creditor (such approval not to be unreasonably withheld or delayed).

The Trust Manager may, by written notice, direct the Covered Bond Guarantor to retire if it believes in good faith that an event referred to in paragraphs (a) to (f) above has occurred.

If the Covered Bond Guarantor refuses to retire after being required to do so in the circumstances set out above, the Trust Manager is entitled to remove the Covered Bond Guarantor from office:

(a) upon the occurrence of an event set out in paragraph (a), (b) or (c) above, immediately by notice in writing; and

(b) upon the occurrence of an event set out in paragraph (d) or (e) above (and where paragraph (a) does not apply) upon 30 days' notice in writing.

On the retirement or removal of the Covered Bond Guarantor in accordance with the above, the Trust Manager, subject to any approval required by law, is entitled to and must use reasonable endeavours to appoint in writing within 30 days of the retirement or removal of the Covered Bond Guarantor some other entity, who is notified to the Rating Agencies, to be the Covered Bond Guarantor. If the Trust Manager has not within 30 days of the retirement or removal of the Covered Bond Guarantor appointed such other entity then the Trust Manager must convene a single meeting of the Covered Bondholders of all Series at which a new Covered Bond Guarantor may be appointed by Extraordinary Resolution of the Covered Bondholders of all Series.

The Covered Bond Guarantor may retire as trustee of the Trust (the **Retiring Covered Bond Guarantor**) upon giving three months' notice in writing to the Trust Manager or such lesser time as the Trust Manager and the Covered Bond Guarantor agree. Upon such retirement the Retiring Covered Bond Guarantor, subject to any approval required by law, must appoint as trustee of the Trust in writing any other entity which is approved by the Trust Manager, which approval must not be unreasonably withheld by the Trust Manager and notified to the Rating Agencies. If the Retiring Covered Bond Guarantor does not propose a replacement by the date which is two months prior to the date of its proposed retirement, or such lesser time as the Retiring Covered Bond Guarantor and the Trust Manager agree, the Trust Manager is entitled to appoint a Substitute Covered Bond Guarantor (which must be an entity notified to the Rating Agencies). If the Trust Manager has not within 30 days prior to the date of the Retiring Covered Bond Guarantor's proposed retirement appointed such an entity as Covered Bond Guarantor, and such an entity has not otherwise been appointed within that same 30 day period by the Retiring

Covered Bond Guarantor, then the Trust Manager must convene a single meeting of the Covered Bondholders of all Series at which a new Covered Bond Guarantor may be appointed by Extraordinary Resolution of the Covered Bondholders of all Series.

Notwithstanding the preceding paragraph, until the appointment of a new or Substitute Covered Bond Guarantor is completed in accordance with the preceding paragraph, the Retiring Covered Bond Guarantor must continue to act as the Covered Bond Guarantor in accordance with the terms of the Establishment Deed and the other Programme Documents.

The purported appointment of a Substitute Covered Bond Guarantor has no effect until the Substitute Covered Bond Guarantor executes a deed under which it covenants to act as Covered Bond Guarantor in accordance with the Programme Documents.

Upon the retirement or removal of the Covered Bond Guarantor in accordance with the above:

(a) the Covered Bond Guarantor must vest the Assets of the Trust, or cause them to be vested, in the Substitute Covered Bond Guarantor and must deliver to the Substitute Covered Bond Guarantor (or the Trust Manager if it is acting as Covered Bond Guarantor) all books, documents, records and other property whatsoever relating to the Trust. The costs and expenses of this are to be paid out of the Assets of the Trust, subject to the indemnity given by the Covered Bond Guarantor to the Trust Manager and the Substitute Covered Bond Guarantor in respect of all costs incurred as a result of its removal or retirement as set out above; and

(b) the Covered Bond Guarantor is released from all obligations under the Programme Documents arising after the date of the retirement or removal in respect of the Trust (but the Covered Bond Guarantor is not released from any obligations or liability that accrued prior to the date of the retirement of the Covered Bond Guarantor). The Trust Manager may settle with the Covered Bond Guarantor the amount of any sums payable by the Covered Bond Guarantor to the Trust Manager or by the Trust Manager to the Covered Bond Guarantor and may give to or accept from the Covered Bond Guarantor a discharge in respect of those sums which is then conclusive and binding as between the Covered Bond Guarantor and the Trust Manager but not as between the Covered Bond Guarantor, on the one hand, and the Unitholders and Secured Creditors, on the other hand.

Failure to appoint a Substitute Covered Bond Guarantor following the retirement or removal of the Covered Bond Guarantor will in certain circumstances constitute a Covered Bond Guarantor Event of Default as described in Condition 9.2 of the Programme Conditions.

Other Provisions

The allocation and distribution of the Available Income Amount, the Available Principal Amount and all other amounts received by the Covered Bond Guarantor is described under "*Cashflows*" below.

The Establishment Deed is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Management Agreement

The Trust Manager will manage the Assets of the Trust (having regard to its powers and discretions under the Programme Documents) and provide certain Cash Management Services and Calculation Management Services to the Covered Bond Guarantor and the Security Trustee pursuant to the terms of the Management Agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Trust Manager, the Bank (as Issuer, Seller, Servicer and Account Bank) and the Security Trustee.

The Cash Management Services will include but will not be limited to:

(a) assisting and directing the Covered Bond Guarantor in opening and operating the Trust Accounts;

(b) keeping records of the Assets of the Trust held by the Covered Bond Guarantor, including the Mortgage Loan Rights;

(c) prepare or procure the preparation of and filing of all reports, annual returns, financial statements, statutory forms and other returns which the Covered Bond Guarantor is required by law to prepare and file in connection with the Trust or the Assets of the Trust;

(d) make all determinations, give all notices and make all registrations and other notifications required in the day-to-day operation of the business of the Trust or required to be given or made by the Covered Bond Guarantor pursuant to the Programme Documents;

(e) prepare and/or complete any Intercompany Loan Drawdown Requests or Demand Loan Drawdown Requests required for the Covered Bond Guarantor or, in the case of Demand Loan Drawdown Requests for it, to request the advance of any Term Advance or any Demand Loan Advance under, and in accordance with, the Establishment Deed, the Mortgage Sale Agreement, the Intercompany Loan Agreement and the Demand Loan Agreement;

(f) maintaining the Ledgers on behalf of the Covered Bond Guarantor;

(g) determining the amount of Principal Collections and Finance Charge Collections received during each Collection Period and the Available Income Amount and Available Principal Amount to be distributed on each Distribution Date in accordance with the Priorities of Payments described under "*Cashflows*" below;

(h) determining the amounts payable by the Covered Bond Guarantor on each Distribution Date under the applicable Priority of Payments described under "*Cashflows*" below;

(i) directing the Covered Bond Guarantor in relation to the application of Available Income Amount and the Available Principal Amount in accordance with the Priorities of Payment described under "*Cashflows*" below;

(j) providing various directions to the Covered Bond Guarantor in respect of investments in Authorised Investments and Substitution Assets and maintaining records of all Authorised Investments and Substitution Assets, as applicable; and

(k) providing directions to the Covered Bond Guarantor to apply amounts standing to the credit of the OC Account and any In Specie Mortgage Loan Rights in satisfaction of amounts to be repaid to the Demand Loan Provider in accordance with the applicable Priority of Payments.

The Calculation Management Services will include but will not be limited to:

(a) determining whether the Mortgage Loan Rights forming part of the Assets of the Trust are in compliance with the Asset Coverage Test on each Determination Date prior to an Issuer Event of Default and service of a Notice to Pay on the Covered Bond Guarantor in accordance with the Establishment Deed and any other date that the Asset Coverage Test is required to be calculated as more fully described under "*Credit Structure – Asset Coverage Test*" below;

(b) determining whether the Mortgage Loan Rights forming part of the Assets of the Trust are in compliance with the Legislated Collateralisation Test on each Determination Date for so long as any Covered Bonds are outstanding, in accordance with the Establishment Deed, as more fully described under "*Establishment Deed – Legislated Collateralisation Test*" above;

(c) determining whether the Mortgage Loan Rights forming part of the Assets of the Trust are in compliance with the Amortisation Test on each Determination Date following an Issuer Event of Default and service of a Notice to Pay on the Covered Bond Guarantor but prior to the service of a Covered Bond Guarantee Acceleration Notice in accordance with the Establishment Deed, as more fully described under "*Credit Structure – Amortisation Test*", below; and

(d) on each Local Business Day during the Pre-Maturity Test Period for each Series of Hard Bullet Covered Bonds, determining whether the Pre-Maturity Test for each such Series of Hard Bullet Covered Bonds is satisfied, as more fully described under "*Credit Structure – Pre-Maturity Test*" below.

The Covered Bond Guarantor will be indemnified by the Trust Manager for any loss, cost, expense or liability suffered or incurred by the Covered Bond Guarantor in respect of the fraud, negligence or wilful default of the Trust Manager.

The Trust Manager is not personally liable to indemnify the Covered Bond Guarantor or to make any other payments to any other person in relation to the Trust except in relation to any fraud, negligence or wilful default by it in its capacity as trust manager of the Trust.

In certain circumstances, the Covered Bond Guarantor is required to immediately terminate the appointment of the Trust Manager and appoint a Substitute Trust Manager whose appointment will not take effect until such Substitute Trust Manager enters into a document under which it assumes the obligations of the Trust Manager. Until the appointment of the Substitute Trust Manager takes effect, the Covered Bond Guarantor must act as trust manager (and is entitled to the relevant fees for the period it so acts). While acting as the Trust Manager, the Covered Bond Guarantor will not be liable for any inability to perform or deficiency in performing its obligations as a result of, amongst other things, a breach by the outgoing Trust Manager of its obligations, the state of affairs, books and records of the outgoing Trust Manager and any documents or files delivered by it (including, the inaccuracy or incompleteness thereof) or the inability of the Covered Bond Guarantor to obtain access to information, premises or equipment reasonably necessary for it to perform its obligations.

The Trust Manager is entitled to a fee for the performance of its services under the Management Agreement, which will be agreed in writing from time to time between the Trust Manager, the Covered Bond Guarantor and the Security Trustee. The Covered Bond Guarantor will on each Distribution Date, subject to the applicable Priority of Payments as further consideration for the Cash Management Services and the Calculation Management Services supplied to it by the Trust Manager reimburse the Trust Manager for all out-of-pocket costs, expenses and charges properly incurred by it in the performance of the Cash Management Services or the Calculation Management Services, as the case may be, including any such costs, expenses or charges not reimbursed to the Trust Manager on any previous Distribution Date.

The Management Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Swap Agreements

In order to hedge certain interest rate, currency or other risks in respect of amounts received by the Covered Bond Guarantor under the Mortgage Loan Rights, Substitution Assets, Authorised Investments or certain other amounts deposited into the GIC Account and amounts payable by the Covered Bond Guarantor under the Intercompany Loan Agreement to the Intercompany Loan Provider and/or amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee to Covered Bondholders in respect of the Covered Bonds on issue, the Covered Bond Guarantor will enter into certain swap transactions with swap providers as described below.

Each such swap transaction (including, without limitation, the Interest Rate Swap and each Covered Bond Swap) (each, a **Swap** and together, the **Swaps**) will be evidenced by a confirmation that supplements, forms part of and is subject to, an agreement in the form of the 2002 Master Agreement as published by the International Swaps & Derivatives Association, Inc. (**ISDA**) together with its schedule and credit support annex (to be in the form of the 1995 Credit Support Annex (Transfer – English Law) published by ISDA) (a **Swap Agreement Credit Support Annex**) between a swap provider (a **Swap Provider**), the Covered Bond Guarantor, the Trust Manager and the Security Trustee (together, a **Swap Agreement**).

Interest Rate Swap Agreement

Some of the Mortgage Loans forming part of the Assets of the Trust from time to time pay a variable amount of interest. Other Mortgage Loans pay a fixed rate of interest for a period of time. The Substitution Assets or Authorised Investments (as the case may be) and the amounts deposited into the GIC Account may pay a variable or fixed amount of interest. However, the Australian Dollar payments to be made by the Covered Bond Guarantor under the Covered Bond Swaps, the Intercompany Loan and the Demand Loan will be based on the Bank Bill Rate for varying periods. To provide a hedge against the variance between:

(a) the rates of interest payable on the Mortgage Loans forming part of the Assets of the Trust and the Substitution Assets or Authorised Investments and the amounts deposited into the GIC Account; and

(b) the Bank Bill Rate for the applicable interest or calculation period,

the Covered Bond Guarantor, the Trust Manager, the Security Trustee and the Interest Rate Swap Provider will enter into an Interest Rate Swap under the Interest Rate Swap Agreement.

The Interest Rate Swap Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Covered Bond Swap Agreements

Where Covered Bonds are issued in a currency and/or on an interest rate basis different to the Interest Rate Swap, the Covered Bond Guarantor will enter into one or more Covered Bond Swaps, each under a Covered Bond Swap Agreement with a Covered Bond Swap Provider. Each Covered Bond Swap may be either a **Forward Starting Covered Bond Swap** or a **Non-Forward Starting Covered Bond Swap**. Where the Covered Bond Guarantor enters into a Forward Starting Covered Bond Swap, the related Term Advance made under the Intercompany Loan Agreement will be made in Australian Dollars, regardless of the currency of the relevant Series or Tranche, as applicable, of Covered Bonds.

Each Forward Starting Covered Bond Swap will provide a hedge (after service of a Notice to Pay on the Covered Bond Guarantor) against certain interest rate, currency and/or other risks in respect of amounts received by the Covered Bond Guarantor under the Mortgage Loan Rights, Substitution Assets, Authorised Investments or certain other amounts deposited into the GIC Account and the Interest Rate Swap and amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of the Covered Bonds (after service of a Notice to Pay).

Each Non-Forward Starting Covered Bond Swap will provide a hedge against certain interest rate, currency and/or other risks in respect of amounts received by the Covered Bond Guarantor under the Mortgage Loan Rights, Substitution Assets, Authorised Investments or certain other amounts deposited into the GIC Account and the Interest Rate Swap and amounts payable by the Covered Bond Guarantor under the Intercompany Loan Agreement (prior to the service of a Notice to Pay on the Covered Bond Guarantor) and under the Covered Bond Guarantee in respect of the Covered Bonds (after the service of a Notice to Pay on the Covered Bond Guarantor).

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

Under the Forward Starting Covered Bond Swaps, the Covered Bond Swap Provider will pay to the Covered Bond Guarantor on each Interest Payment Date (or, if a Notice to Pay is served on an Interest Payment Date, on the second Business Day following such Interest Payment Date) after service of a Notice to Pay on the Covered Bond Guarantor, an amount equal to the amounts that are then payable by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds. In return, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider on each Distribution Date after service of a Notice to Pay on the Covered Bond Guarantor an amount in Australian Dollars calculated by reference to the 30 day Bank Bill Rate (or the rate for such other period as may be specified in the relevant Confirmation) plus a spread. Unless the relevant Covered Bond Swap terminates earlier, on the first to occur of (i) the date on which the Early Redemption Amount is payable; and (ii) the Final Maturity Date, in each case in relation to the relevant Series or Tranche of Covered Bonds, the relevant Covered Bond Swap Provider will pay to the Covered Bond Guarantor an amount equal to the Early Redemption Amount or the Final Redemption Amount (as the case may be) of the relevant Series or Tranche of Covered Bonds in exchange for payment by the Covered Bond Guarantor of the Australian Dollar Equivalent of that amount.

Under the Non-Forward Starting Covered Bond Swaps:

(a) if the related Term Advance is made in Australian Dollars, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider on each Distribution Date an amount in Australian Dollars calculated by reference to the 30 day Bank Bill Rate plus a spread. In return the Covered Bond Swap Provider will pay to the Covered Bond Guarantor on each Interest Payment Date either, an amount in Australian Dollars equal to the relevant amount of interest then payable under the related Term Advance in accordance with the Intercompany Loan Agreement or (after service of a Notice to Pay on the Covered Bond Guarantor) equal to the amounts that are payable by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds; and

(b) if the related Term Advance is made in a currency other than Australian Dollars, on the relevant Issue Date, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider an amount equal to the amount received by the Covered Bond Guarantor under the related Term Advance (being the aggregate nominal amount of such Series or Tranche, as applicable, of Covered Bonds) and in return the Covered Bond Swap Provider will pay to the Covered Bond Guarantor the Australian Dollar Equivalent of the

first mentioned amount. Thereafter, the Covered Bond Guarantor will pay to the Covered Bond Swap Provider on each Distribution Date an amount in Australian Dollars calculated by reference to the 30 day Bank Bill Rate plus a spread. In return, the Covered Bond Swap Provider will pay to the Covered Bond Guarantor on each Interest Payment Date either, an amount in the relevant currency equal to the relevant amount of interest then payable under the related Term Advance in accordance with the Intercompany Loan Agreement or (after service of a Notice to Pay on the Covered Bond Guarantor) equal to the amounts that are payable by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of interest payable under the relevant Series or Tranche of Covered Bonds. Unless the relevant Covered Bond Swap terminates earlier, on the first to occur of (i) the date on which the Early Redemption Amount is payable; and (ii) the Final Maturity Date, in each case in relation to the relevant Series or Tranche of Covered Bonds, the relevant Covered Bond Swap Provider will pay to the Covered Bond Guarantor an amount in the relevant currency equal to the principal then outstanding on the related Term Advance in exchange for payment by the Covered Bond Guarantor of the Australian Dollar Equivalent of that amount.

Each Covered Bond Swap will terminate the Final Maturity Date of the relevant Series or Tranche of Covered Bonds or, if the Covered Bond Guarantor notifies the Covered Bond Swap Provider, prior to the Final Maturity Date, of the inability of the Covered Bond Guarantor to pay in full or in part Guaranteed Amounts corresponding to the Final Redemption Amount in respect of such Series or Tranche of Covered Bonds, the final Interest Payment Date on which an amount representing any or all of the Final Redemption Amount is paid (but in any event not later than the Extended Due for Payment Date).

Rating Downgrade Event

Under the terms of each Swap Agreement, in the event that the rating(s) of the relevant Swap Provider is downgraded by a Rating Agency below the credit rating(s) specified in the relevant Swap Agreement (in accordance with such Rating Agency's criteria) for that Swap Provider, that Swap Provider agrees, in accordance with the relevant Swap Agreement, to take certain remedial measures which may include:

(a) providing collateral for its obligations under the relevant Swap Agreement;

(b) arranging for its obligations under the relevant Swap Agreement to be transferred to a replacement entity provided that either:

  (i) such entity is an entity with the credit ratings specified by the relevant Rating Agency; or

  (ii) in some cases, the relevant Rating Agency has confirmed that such transfer will not adversely affect the credit ratings of the then outstanding Series of Covered Bonds;

(c) procuring another entity to become co-obligor or guarantor in respect of its obligations under the relevant Swap Agreement provided that either:

  (i) such entity is an entity with the credit ratings specified by the relevant Rating Agency; or

  (ii) in some cases, the relevant Rating Agency has confirmed that obtaining such a co-obligor or guarantor will not adversely affect the credit ratings of the then outstanding Series of Covered Bonds; or

(d) taking such other action or putting in place such alternative hedging as it may agree with the relevant Rating Agency.

A failure to take such steps within the time periods specified in the relevant Swap Agreement will allow the Covered Bond Guarantor to terminate the relevant Swaps.

Other Termination Events

The Swap(s) under a Swap Agreement may also be terminated early in certain other circumstances, including:

(a) at the option of the Covered Bond Guarantor or the relevant Swap Provider, as applicable, if there is a failure by the other party to pay any amounts due under such Swap Agreement within the specified grace period;

(b) upon the occurrence of certain insolvency events in relation to the relevant Swap Provider or the Covered Bond Guarantor, or the merger of one of the relevant Swap Provider or the Covered Bond Guarantor without an assumption of the obligations under such Swap Agreement;

(c) there is a change of law, a change in application of the relevant law or consolidation, amalgamation, merger, transfer of assets, reorganisation, reincorporation or reconstitution of or by a party which results in the Covered Bond Guarantor or the relevant Swap Provider (or both) being obliged to make a withholding or deduction on account of a tax on a payment to be made by such party to the other party under such Swap Agreement and the relevant Swap Provider thereby being required under the terms of such Swap Agreement to gross up payments made to the Covered Bond Guarantor, or to receive net payments from the Covered Bond Guarantor (who is not required under the terms of such Swap Agreement to gross up payments made to the relevant Swap Provider);

(d) there is a change in law which results in the illegality of the obligations to be performed by the relevant Swap Provider or the Covered Bond Guarantor under the Swap Agreement or a force majeure event which renders performance impossible or impracticable;

(e) in relation to a Covered Bond Swap only, if the corresponding Series of Covered Bonds are redeemed or cancelled;

(f) if a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor;

(g) the making of an amendment (without the consent of the relevant Swap Provider) to the Priorities of Payments which has a material adverse effect on the amounts paid to the relevant Swap Provider under the Priorities of Payments; and

(h) the making of an amendment (without the consent of the relevant Swap Provider), such that the relevant Swap Provider would, immediately after such amendment, be required to pay more or receive less under such Swap Agreement than would otherwise have been the case immediately prior to such amendment or such that the Swap Provider would suffer an adverse consequence as a result of such amendment.

Upon the termination of a Swap, the Covered Bond Guarantor or the relevant Swap Provider may be liable to make a termination payment to the other party in accordance with the provisions of the relevant Swap Agreement.

Swap Agreement Credit Support Annex

The Covered Bond Guarantor and each Swap Provider will also enter into a credit support annex in the form of the 1995 ISDA Credit Support Annex (Transfer – English Law) to the ISDA Master Agreement (the **Swap Agreement Credit Support Annex**) in respect of each Swap Agreement. The Swap Agreement Credit Support Annex will provide that, from time to time, if required to do so following its downgrade and subject to the conditions specified in the Swap Agreement Credit Support Annex, the relevant Swap Provider will make transfers of collateral to the Covered Bond Guarantor in support of its obligations under the relevant Swap Agreement (the **Swap Collateral**) and the Covered Bond Guarantor will be obliged to return equivalent collateral in accordance with the terms of such Swap Agreement Credit Support Annex. Each Swap Agreement Credit Support Annex will form a part of the relevant Swap Agreement.

Swap Collateral required to be transferred by the relevant Swap Provider pursuant to the terms of each Swap Agreement Credit Support Annex may be delivered in the form of cash or certain securities specified in such Swap Agreement Credit Support Annex. Cash amounts will be paid into an account designated as a **Swap Collateral Cash Account** opened and held with the Account Bank. References to the Swap Collateral Cash Account and to payments from such account are deemed to be a reference to payments from such account as and when opened by the Covered Bond Guarantor. Securities will be transferred into a custody account opened and held with a custodian. References to such custody account and to transfers from such account are deemed to be a reference to transfers from such account as and when opened by the Covered Bond Guarantor.

If the Swap Collateral Cash Account or securities custody account is opened, cash and securities, as applicable, (and all income in respect thereof) transferred as collateral will only be available to be applied in returning collateral (and income thereon) or in satisfaction of amounts owing by the relevant Swap Provider in accordance with the terms of the relevant Swap Agreement Credit Support Annex.

Any Swap Collateral Excluded Amounts will be paid to the relevant Swap Provider directly and not via the Priorities of Payments.

Limited Recourse

All obligations of the Covered Bond Guarantor to the relevant Swap Provider under each Swap Agreement are limited in recourse as described in the Establishment Deed.

Governing Law

Each Swap Agreement (including the Swap Agreement Credit Support Annex under such Swap Agreement) is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Account Bank Agreement

Pursuant to the terms of the Account Bank Agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Bank as Account Bank, the Trust Manager and the Security Trustee, the Covered Bond Guarantor will maintain with the Account Bank, the GIC Account, the Swap Collateral Cash Account and the OC Account which will be operated in accordance with the Management Agreement, the Establishment Deed, the Security Deed and the relevant Swap Agreements.

The Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Security Trustee:

(a) may terminate the appointment of the Account Bank if the following matters occur:

(i) if a deduction or withholding for or on account of any Tax is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any Trust Account, as applicable;

(ii) if the Account Bank fails to make payment on the due date of any payment due and payable by it under the Account Bank Agreement and such default is not waived by the Covered Bond Guarantor (acting on the directions of the Trust Manager) (with the prior written consent of the Security Trustee) or the Security Trustee, as applicable, and such default continues unremedied for a period of five Local Business Days; or

(iii) if the Account Bank fails to perform any of its other material obligations under the Account Bank Agreement, the Security Deed or any other Programme Document to which it is a party and acting on the directions of:

(A) the Bond Trustee (if there are Covered Bonds outstanding and subject to the provisions of the Bond Trust Deed), the Security Trustee determines that such failure is, or if continued will be, materially prejudicial to the Covered Bondholders; or

(B) the Majority Secured Creditors (if there are no Covered Bonds outstanding), the Security Trustee determines that such is, or if continued will be, materially prejudicial to the Secured Creditors,

and such failure remains unremedied for a period of 10 Local Business Days after the Trust Manager or the Security Trustee has given notice of such failure to the Account Bank.

(b) must terminate the appointment of the Account Bank if any of the following matters occur:

(i) the Account Bank ceases to be a Qualified Institution and the Account Bank does not, within 30 days of the occurrence of such event, obtain a guarantee of its obligations under the Account Bank Agreement from a Qualified Institution; or

(ii) an Insolvency Event occurs in respect of the Account Bank.

Any termination or resignation of the Bank as the Account Bank (and the appointment of any replacement Account Bank) under the Account Bank Agreement will have no effect on the arrangements in respect of the OC Account and the terms of the Account Bank Agreement will continue to govern the OC Account.

The Account Bank Agreement is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

Security Deed

Pursuant to the terms of the Security Deed entered into on or about the Programme Date by the Bank (in various capacities including as Issuer, Seller and Servicer), the Covered Bond Guarantor, the Trust Manager and the Security Trustee, as security for payment of the Secured Obligations, the Covered Bond Guarantor charges all of its right, title and interest in, and all of its rights in relation to Charged Property in favour of the Security Trustee.

The Security is a floating charge in respect of all the Charged Property. If the Security has not otherwise taken effect as a fixed charge, it will become a fixed charge automatically and immediately over all of the Charged Property without the need for any notice to or act by the Security Trustee, following the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer.

Release of Security

In the event of any sale or transfer of Mortgage Loan Rights or any extinguishment of the Covered Bond Guarantor's interest in any Mortgage Loan Rights (including, in each case, Selected Mortgage Loan Rights) (and any other related rights under the same) by or on behalf of the Covered Bond Guarantor (including by way of in specie distributions by the Covered Bond Guarantor) pursuant to and in accordance with the Programme Documents, such Mortgage Loan Rights (and any other related rights under the same) will no longer form part of the Assets of the Trust and the Security Trustee must, if requested in writing by the Covered Bond Guarantor (acting on the directions of the Trust Manager and at the sole cost and expense of the Covered Bond Guarantor), take all reasonable steps necessary to ensure the release or discharge of those Mortgage Loan Rights (and any other related rights under the same) from the Security Interests created under the Security Deed on or prior to the date of any such sale, transfer or extinguishment, only if the Trust Manager has provided to the Security Trustee a certificate from two Authorised Officers of the Trust Manager confirming that such sale, transfer or extinguishment of Mortgage Loan Rights has been made in accordance with the terms of the Programme Documents and, in the case of the sale of Selected Mortgage Loan Rights only, that the Selected Mortgage Loan Rights being sold have been selected on a basis that is representative of the Mortgage Loan Rights forming part of the Assets of the Trust as a whole.

In the event of any transfer of any Mortgage Loan Rights to the Seller, or any extinguishment of the Covered Bond Guarantor's interest in any Mortgage Loan Rights in favour of the Seller, pursuant to and in accordance with the Programme Documents, the Security Trustee will, at the prior written request and cost of the Covered Bond Guarantor (acting on the directions of the Trust Manager) on the date of the transfer or extinguishment (as the case may be) release the Mortgage Loan Rights from the Security Interest created under the Security Deed.

Enforcement

At any time after the Security has become enforceable and following service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Security Trustee will be entitled to appoint a Receiver and/or enforce the Security constituted by the Security Deed (including selling the Mortgage Loan Rights), and/or, subject to the following paragraph, take such steps as it deems necessary, subject in each case to being indemnified and/or prefunded and/or secured to its satisfaction. All proceeds received by the Security Trustee from the enforcement or realisation of the Security and any In Specie Mortgage Loan Rights will be applied in accordance with the Post-Enforcement Priority of Payments described under "*Cashflows*" below (other than Third Party Amounts due to the Seller and any Swap Collateral Excluded Amounts due to the relevant Swap Providers by the Covered Bond Guarantor under the relevant Swap Agreements which will be paid directly to the relevant Swap Provider in accordance with the relevant Swap Agreements).

If the Security has become enforceable, neither the Security Trustee nor any Receiver will be entitled to dispose of any Charged Property (comprising Mortgage Loan Rights) unless:

(a) the Security Trustee or Receiver, as applicable, has given the Seller the right, by notice in writing, to make an offer to repurchase all the Mortgage Loan Rights that are then Assets of the Trust (within five Local Business Days of the written notice) (any offer made by the Seller in accordance with this paragraph will be irrevocable unless agreed between the Seller and the Security Trustee or Receiver, as applicable); and

(b) if the Security Trustee or Receiver receives an irrevocable offer from any person other than the Seller in respect of any Mortgage Loan Rights, the Security Trustee or Receiver, as applicable, gives the Seller the right, by notice in writing (which must include all information in relation to the offer made by such other person), to make an offer to repurchase (which may be in addition to any offer made by the Seller

under paragraph (a)) the Mortgage Loan Rights the subject of the offer made by any such other person that at least matches the value of any such other offer (within two Local Business Days of the written notice),

provided that the Seller provides to the Security Trustee or Receiver, as applicable, an opinion from legal advisors appointed by the Seller (at its expense) addressed to the Security Trustee or Receiver in connection with the relevant offer, that acceptance of the offer by the Security Trustee or Receiver and any repurchase of Mortgage Loan Rights in accordance with it by the Seller would be legal, valid, binding and enforceable against the Seller.

If the Security Trustee or Receiver, as applicable, receives an offer from the Seller as described above, the Security Trustee or Receiver must accept that offer unless the Security Trustee or Receiver reasonably believes that it is not in the best interests of the Covered Bondholders or, if there are none, the Secured Creditors that it does so.

Removal or resignation of Security Trustee

The Security Trustee covenants that it will retire as Security Trustee if:

(a) an Insolvency Event occurs in relation to the Security Trustee in its personal capacity or in respect of its personal assets (and not in its capacity as trustee of any trust or in respect of any assets it holds as trustee);

(b) it ceases to carry on business;

(c) a Related Body Corporate of it retires as the Covered Bond Guarantor or is removed as the Covered Bond Guarantor and the Trust Manager requires the Security Trustee by notice in writing to retire;

(d) (i) an Extraordinary Resolution requiring its retirement is passed at a meeting of Covered Bondholders of all Series taken together as a single Series with the nominal amount of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate; and

(ii) such retirement is approved in writing by the Bond Trustee (if any Covered Bonds are outstanding) or (if no Covered Bonds are outstanding) by the Majority Secured Creditors;

(e) when required to do so by the Trust Manager or the Covered Bond Guarantor by notice in writing, it fails or neglects within 14 days after receipt of such notice to carry out or satisfy any material duty imposed on it by this document in respect of the Security Trust; or

(f) there is a change in ownership of 50% or more of the issued equity share capital of the Security Trustee from the position as at the date of the Security Deed or effective control of the Security Trustee alters from the position as at the date of the Security Deed unless in either case approved by the Trust Manager (whose approval must not be unreasonably withheld).

If an event referred to in paragraphs (a) to (f) above occurs and the Security Trustee does not retire immediately after that event, the Trust Manager is entitled to, and must, remove the Security Trustee from office immediately by notice in writing to the Security Trustee. On the retirement or removal of the Security Trustee, the Issuer must issue a Rating Affirmation Notice in relation to each Rating Agency in respect of such retirement or removal.

The Security Trustee may retire as security trustee under the Security Deed upon giving three months' notice in writing to the Covered Bond Guarantor, the Trust Manager and each Rating Agency or such lesser time as the Covered Bond Guarantor, the Trust Manager and the Security Trustee may agree.

On the retirement or removal of the Security Trustee as set out above (a) the Trust Manager must promptly notify the Covered Bond Guarantor and the Secured Creditors of such retirement or removal; and (b) subject to any approval required by law, the Trust Manager is entitled to and must use best endeavours to appoint a person who is a statutory trustee or a wholly owned subsidiary of a statutory trustee as substitute Security Trustee. If no substitute Security Trustee is appointed within 90 days after the retirement or removal of the Security Trustee, the Security Trustee may appoint a substitute Security Trustee or apply to the court for a substitute Security Trustee to be appointed.

Upon retirement or removal of the Security Trustee as trustee of the Security Trust, the Security Trustee is released from all obligations under the Security Deed arising after the date of the retirement or removal except for its obligation to vest the Security Trust in the substitute Security Trustee and to deliver all books and records relating

to the Security Trust to the substitute Security Trustee (at the cost of the Security Trust). The Trust Manager and the Covered Bond Guarantor may settle with the Security Trustee the amount of any sums payable by the Security Trustee to the Trust Manager or the Covered Bond Guarantor or by the Trust Manager or the Covered Bond Guarantor to the Security Trustee and may give to or accept from the Security Trustee a discharge in respect of those sums which will be conclusive and binding as between the Trust Manager, the Covered Bond Guarantor and the Security Trustee but not as between the Security Trustee and the Secured Creditors.

Each substitute Security Trustee must upon its appointment execute a deed in such form as the Trust Manager may require whereby such substitute Security Trustee must undertake to the Secured Creditors jointly and severally to be bound by all the covenants on the part of the Security Trustee under the Security Deed from the date of such appointment. The Security Trustee must do all such things and execute all such documents as are necessary or appropriate for the substitute Security Trustee to obtain the benefit of the Security Deed.

The Security Deed is governed by and is to be construed in accordance with the laws applying in the State of New South Wales, Australia.

CREDIT STRUCTURE

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

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

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

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

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

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

(e) a Reserve Fund will be established in the GIC Account which will be funded from Available Income Amounts or by crediting the remaining proceeds of a Term Advance or Demand Loan Advance up to the Reserve Fund Required Amount if the Issuer's credit rating falls below the Moody's Specified Rating and/or the Fitch Specified Rating; and

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

Certain of these factors are considered more fully in the remainder of this section.

Covered Bond Guarantee

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

A Covered Bond Guarantee Acceleration Notice may be served by the Bond Trustee on the Covered Bond Guarantor and the Issuer following the occurrence of a Covered Bond Guarantor Event of Default. If a Covered Bond Guarantee Acceleration Notice is served, the Covered Bonds will become immediately due and payable (if they have not already become due and payable) and the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will be accelerated and the Security Trustee will be entitled to enforce the Security. Payments made by the Covered Bond Guarantor under the Covered Bond Guarantee will be made subject to, and

in accordance with, the Guarantee Priority of Payments. All moneys received or recovered by the Security Trustee or any Receiver after the service of a Covered Bond Guarantee Acceleration Notice will be held by it in the Trust Accounts on trust to be applied in accordance with the Post-Enforcement Priority of Payments (other than Third Party Amounts due to the Seller and any Swap Collateral Excluded Amounts due to the relevant Swap Providers by the Covered Bond Guarantor under the relevant Swap Agreements which will be paid directly to the relevant Swap Provider in accordance with the relevant Swap Agreements).

See further the section "*Overview of the Principal Documents – Bond Trust Deed*" in this Prospectus as regards the terms of the Covered Bond Guarantee.

See further the section "*Cashflows – Guarantee Priority of Payments*" as regards the payment of amounts payable by the Covered Bond Guarantor to Covered Bondholders and other Secured Creditors following service of a Notice to Pay.

Pre-Maturity Test

Each Series of Hard Bullet Covered Bonds is subject to a Pre-Maturity Test on each Local Business Day during the Pre-Maturity Test Period prior to the occurrence of an Issuer Event of Default and/or a Covered Bond Guarantor Event of Default. The Pre-Maturity Test will be breached in relation to a Series of Hard Bullet Covered Bonds if the Issuer's short-term credit rating from Moody's falls to P-2 (or lower) or from Fitch is less than F1+ and, in each case, the Final Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date. If the Pre-Maturity Test is breached within such specified period and certain actions are not taken, an Issuer Event of Default will occur.

As at the date of this Prospectus, the Pre-Maturity Test has not been breached in relation to any outstanding Series of Hard Bullet Covered Bonds.

Asset Coverage Test

The Asset Coverage Test is intended to test the asset coverage of the Assets of the Trust from time to time held by the Covered Bond Guarantor in respect of the Covered Bonds on a monthly basis. This is to ensure that the Assets of the Trust held from time to time by the Covered Bond Guarantor do not fall below a certain threshold and are sufficient for the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee and senior expenses which rank in priority or *pari passu* with amounts due on the Covered Bonds.

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

The Asset Coverage Test will also be tested by the Trust Manager at any time required for the purposes of facilitating repayment of the Demand Loan to the extent such repayment is subject to the Asset Coverage Test being satisfied (notwithstanding the service of a Notice to Pay on the Covered Bond Guarantor).

Pursuant to the terms of the Mortgage Sale Agreement, the Seller has agreed to use all reasonable endeavours to offer to sell sufficient Mortgage Loan Rights to the Covered Bond Guarantor in order to ensure that the Asset Coverage Test is satisfied (provided that the Seller will not be obliged to sell to the Covered Bond Guarantor Mortgage Loan Rights if in the reasonable opinion of the Seller the sale of such Mortgage Loan Rights would materially adversely affect the business or financial condition of the Seller). The consideration payable to the Seller for the sale of such Mortgage Loan Rights to the Covered Bond Guarantor may be funded by (i) cash available to the Covered Bond Guarantor to pay for such Mortgage Loan Rights in accordance with the Pre-Acceleration Principal Priority of Payments; and/or (ii) a drawing under the Demand Loan Agreement. The Seller's ability to offer Mortgage Loan Rights may be restricted if APRA exercises its power to direct the Seller not to transfer any asset to the Covered Bond Guarantor as described in the section "*Description of the Covered Bonds Provisions of the Australian Banking Act – APRA's powers under the Australian Banking Act – Power to prevent additional sales to meet Asset Coverage Test on any day*" above.

Alternatively, the Covered Bond Guarantor may purchase Substitution Assets or request drawings under the Demand Loan Agreement (as directed by the Trust Manager) in order to ensure that the Covered Bond Guarantor is in compliance with the Asset Coverage Test.

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

See further the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*", above.

Amortisation Test

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

Pursuant to the Establishment Deed, the Trust Manager must ensure that on each Determination Date following service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Amortisation Test Aggregate Mortgage Loan Amount is in an amount at least equal to the Australian Dollar Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds on such Determination Date. A breach of the Amortisation Test will constitute a Covered Bond Guarantor Event of Default and the Bond Trustee will be entitled (and, in certain circumstances, may be required) to serve a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer declaring the Covered Bonds immediately due and repayable and the Security Trustee will be entitled and, in certain circumstances, may be required, to enforce the Security.

See further the section "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*", above.

Reserve Fund

The Covered Bond Guarantor is required to establish a reserve fund within the GIC Account which will be credited with the Available Income Amount or the relevant proceeds of a Term Advance or Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount in accordance with the applicable Priority of Payments.

The Covered Bond Guarantor may be required, on a Distribution Date, to deposit into the GIC Account (with a corresponding credit to the Reserve Ledger) any Available Income Amount or the relevant proceeds of a Term Advance up to an amount equal to the Reserve Fund Required Amount. The Reserve Fund Required Amount on any day will depend on the credit ratings of the Issuer. If the Issuer's short-term unsecured, unsubordinated and unguaranteed debt obligations are not rated below the Fitch Specified Rating and the Moody's Specified Rating, the Reserve Fund Required Amount is nil (or such other amount as the Issuer will direct the Covered Bond Guarantor). If the Issuer is rated the Fitch Specified Rating and/or the Moody's Specified Rating the Reserve Fund Required Amount will depend on which rating trigger is not met. See further the section "*Cashflows – Pre-Acceleration Income Priority of Payments*" in this Prospectus and the definition of "*Reserve Fund Required Amount*" in the section "*Glossary*" of this Prospectus.

CASHFLOWS

As described above under Credit Structure, until a Notice to Pay is served on the Covered Bond Guarantor or a Covered Bond Guarantee Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, the Covered Bonds will be obligations of the Issuer only. The Issuer is liable to make payments when due on the Covered Bonds, whether or not the Issuer has received any corresponding payment from the Covered Bond Guarantor.

This section summarises the Priorities of Payments of the Covered Bond Guarantor as to the allocation and distribution of amounts standing to the credit of the GIC Account and their order of priority:

(a) prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice;

(b) following service of a Notice to Pay (but prior to the service of a Covered Bond Guarantee Acceleration Notice); and

(c) following the service of a Covered Bond Guarantee Acceleration Notice,

all in accordance with the Establishment Deed and Security Deed, as applicable.

Allocation and distribution of Available Income Amount prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice

Prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice, the Available Income Amount will be allocated and distributed as described below.

On the Determination Date immediately preceding each Distribution Date, the Trust Manager must calculate:

(a) the Available Income Amount available for distribution on the following Distribution Date;

(b) the Reserve Fund Required Amount (if applicable); and

(c) if the Pre-Maturity Test has been breached in respect of a Series of Hard Bullet Covered Bonds, on each Determination Date falling within the Pre-Maturity Test Period and ending on the Final Maturity Date of the relevant Series of Hard Bullet Covered Bonds, whether or not the amount standing to the credit of the Pre-Maturity Ledger at such date is less than the Australian Dollar Equivalent of the Required Redemption Amount for each Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached at such date after taking into account any Pre-Maturity Demand Loan Advance, Sale Proceeds received following a sale of Selected Mortgage Loan Rights (see the section "*Overview of the Principal Documents – Establishment Deed – Sale of Selected Mortgage Loan Rights if the Pre-Maturity Test is breached*" in this Prospectus) and the application of any Available Principal Amount in accordance with paragraph (b) under the Pre-Acceleration Principal Priority of Payments.

Pre-Acceleration Income Priority of Payments

On each Distribution Date (except for amounts due to third parties by the Covered Bond Guarantor described below under paragraph (c), which will be paid when due and, for the avoidance of doubt, any Swap Collateral Excluded Amounts due to the relevant Swap Providers by the Covered Bond Guarantor under the relevant Swap Agreements, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements), the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply the Available Income Amount from the GIC Account to make the following payments and provisions in the following order of priority (the **Pre-Acceleration Income Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

(a) *first*, A$1 to the Income Unitholder;

(b) *second*, in or towards satisfaction of any Accrued Interest Adjustment due and payable to the Seller in connection with the transfer of any Mortgage Loan Rights to the Trust during the Collection Period immediately preceding that Distribution Date;

(c) *third*, in or towards satisfaction, *pari passu* and rateably, of:

(i) any amounts due and payable by the Covered Bond Guarantor to itself as trustee of the Trust, the Bond Trustee and the Security Trustee;

(ii) any remuneration due and payable to each Agent under the provisions of the relevant Agency Agreement;

(iii) any amounts due and payable to other third parties and incurred without breach by the Covered Bond Guarantor of the Programme Documents to which it is a party (and for which payment has not been provided for elsewhere in the relevant Priority of Payments); and

(iv) any liability of the Covered Bond Guarantor for Taxes,

and to provide for any such amounts expected to become due and payable by the Covered Bond Guarantor in the Trust Payment Period in which such Distribution Date occurs;

(d) *fourth*, in or towards satisfaction, *pari passu* and rateably, of:

(i) any remuneration then due and payable to the Servicer and Liabilities then due or to become due and payable to the Servicer under the Servicing Deed in the Trust Payment Period in which such Distribution Date occurs, together with applicable GST (or other similar Taxes) in respect of such amounts;

(ii) any remuneration then due and payable to the Trust Manager and any Liabilities then due or to become due and payable to the Trust Manager under the Management Agreement in the Trust Payment Period in which such Distribution Date occurs, together with applicable GST (or other similar Taxes) in respect of such amounts;

(iii) amounts (if any) due and payable to the Account Bank (including costs) pursuant to the terms of the Account Bank Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts; and

(iv) amounts due and payable to the Cover Pool Monitor pursuant to the terms of the Cover Pool Monitor Agreement (other than the amounts referred to in paragraph (k) below), together with any applicable GST (or other similar Taxes) in respect of such amounts;

(e) *fifth*, if the Issuer is not the Interest Rate Swap Provider, in or towards payment on the Distribution Date of any amount due and payable, or to provide for payment on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine of any amount to become due and payable, to the Interest Rate Swap Provider in respect of the Interest Rate Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swap but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premium received from any replacement Interest Rate Swap Provider) pursuant to the Interest Rate Swap Agreement;

(f) *sixth*, in or towards payment on the Distribution Date or to provide for payment on a date prior to the next occurring Distribution Date of the proportion of the relevant payments falling due on that date as the Trust Manager may reasonably determine, *pari passu* and rateably, of:

(i) if the Issuer is the Interest Rate Swap Provider, any amount to become due and payable to the Interest Rate Swap Provider in respect of the Interest Rate Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swap but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premium received from any replacement Interest Rate Swap Provider) pursuant to the Interest Rate Swap Agreement;

(ii) any amounts due or to become due and payable to the relevant Covered Bond Swap Provider (other than in respect of principal) *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid

out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(iii) any amounts due or to become due and payable (excluding principal amounts) to the Intercompany Loan Provider, *pari passu* and rateably in respect of each Term Advance pursuant to the terms of the Intercompany Loan Agreement, but in the case of any such payment or provision, after taking into account if applicable, any amounts (other than principal) receivable from the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement on the Distribution Date or such future date as the Trust Manager may reasonably determine;

(g) *seventh*, if the Pre-Maturity Test has been breached by the Issuer in respect of any Series of Hard Bullet Covered Bonds, towards a credit to the Pre-Maturity Ledger and deposit into the GIC Account by the Covered Bond Guarantor (acting on the directions of the Trust Manager) of an amount up to, but not exceeding the amount by which x exceeds y, where:

x is the Australian Dollar Equivalent of the Required Redemption Amount calculated on the immediately preceding Determination Date for the relevant Series of Hard Bullet Covered Bonds; and

y is the aggregate of:

(A) any amounts standing to the credit of the Pre-Maturity Ledger as at the immediately preceding Determination Date after having deducted the Australian Dollar Equivalent of the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds, as calculated on that Determination Date, which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached; and

(B) any amount to be credited to the Pre-Maturity Ledger on that Distribution Date in accordance with paragraph (b) under the Pre-Acceleration Principal Priority of Payments;

(h) *eighth*, as a deposit into the GIC Account (with a corresponding credit to the Reserve Ledger) of an amount up to but not exceeding the amount by which the Reserve Fund Required Amount exceeds the existing balance on the Reserve Ledger as calculated on the immediately preceding Determination Date;

(i) *ninth,* if a Servicer Default has occurred and is continuing, the remaining Available Income Amount is to be deposited into the GIC Account (with a corresponding credit to the Income Ledger) until such Servicer Default is either remedied by the Servicer or waived by the Security Trustee (acting on the directions of the Bond Trustee or, if no Covered Bonds are outstanding, the Majority Secured Creditors) or a replacement servicer is appointed to service the Mortgage Loan Rights then forming part of the Assets of the Trust (or the relevant part thereof);

(j) *tenth*, in or towards payment, *pari passu* and rateably of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the Swap Agreements, except to the extent such amounts have been paid out of any premiums received from any relevant replacement Swap Providers;

(k) *eleventh*, in or towards payment of any indemnity amount due to the Cover Pool Monitor pursuant to the Cover Pool Monitor Agreement;

(l) *twelfth*, any interest amount due, or to become due and payable in respect of the Demand Loan, to the Demand Loan Provider pursuant to the terms of the Demand Loan Agreement; and

(m) *thirteenth*, the balance in payment to the Income Unitholder in whole or partial satisfaction of any entitlement to the Net Trust Income of the Trust.

Allocation and distribution of Available Income Amount following service of an Asset Coverage Test Breach Notice

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

(a) an Issuer Event of Default and service of an Issuer Acceleration Notice; or

(b) the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer,

the Available Income Amount will continue to be applied in accordance with the Pre-Acceleration Income Priority of Payments except that, whilst any Covered Bonds remain outstanding, no moneys will be applied under paragraph (f)(iii), (l) or (m) of the Pre-Acceleration Income Priority of Payments, and the remaining Available Income Amount (if any) will be deposited into the GIC Account (with a corresponding credit to the Income Ledger) and will form part of the Available Income Amount to be applied on the next succeeding Distribution Date.

Allocation and Distribution of Available Principal Amount prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice

Prior to the service of a Notice to Pay or a Covered Bond Guarantee Acceleration Notice, the Available Principal Amount standing to the credit of the GIC Account will be allocated and distributed as described below.

On each Determination Date, the Trust Manager must calculate the Available Principal Amount available for distribution on the immediately following Distribution Date.

Pre-Acceleration Principal Priority of Payments

On each Distribution Date, the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply the Available Principal Amount from the GIC Account (for the avoidance of doubt, excluding any Swap Collateral Excluded Amounts due to the relevant Swap Providers by the Covered Bond Guarantor under the relevant Swap Agreements, which will be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements), any In Specie Mortgage Loan Rights (but only in the case of paragraphs (e) and (h) below) and any amount standing to the credit of the OC Account (but only in the case of paragraph (e) below) in making the following payments or provisions or credits in the following order of priority (the **Pre-Acceleration Principal Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been paid in full to the extent the same are payable on the relevant Distribution Date):

(a) *first,* to reimburse the Seller for funding any Trust Further Advances made by the Seller to the extent not reimbursed in accordance with the Servicing Deed or on any previous Distribution Date;

(b) *second,* if the Pre-Maturity Test has been breached by the Issuer in respect of any Series of Hard Bullet Covered Bonds, towards a credit to the Pre-Maturity Ledger and deposit into the GIC Account by the Covered Bond Guarantor (acting on the directions of the Trust Manager) of an amount up to but not exceeding the amount by which x exceeds y, where:

x is the Australian Dollar Equivalent of the Required Redemption Amount calculated on the immediately preceding Determination Date for the relevant Series of Hard Bullet Covered Bonds; and

y is any amounts standing to the credit of the Pre Maturity Ledger as at the immediately preceding Determination Date after having deducted the Australian Dollar Equivalent of the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds, as calculated on that Determination Date, which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Test has been breached;

(c) *third*, to acquire Mortgage Loan Rights from the Seller in accordance with the terms of the Mortgage Sale Agreement and/or to acquire Substitution Assets up to a prescribed limit in an amount sufficient to ensure that taking into account the other resources available to the Covered Bond Guarantor, the Asset Coverage Test is satisfied;

(d) *fourth*, to deposit the remaining Available Principal Amount into the GIC Account (with a corresponding credit to the Principal Ledger) in an amount sufficient to ensure that, after taking into account the other resources available to the Covered Bond Guarantor, the Asset Coverage Test is satisfied;

(e) *fifth*, if the Demand Loan Provider has requested repayment of all or part of the principal outstanding on the Demand Loan in accordance the Demand Loan Agreement, in or towards repayment of the amount of that request (in whole or in part), subject to the Asset Coverage Test being satisfied on the date of such repayment after giving effect to the such repayment;

(f) *sixth*, in or towards repayment on the Distribution Date (or to provide for repayment on a future Distribution Date of the proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine) of each relevant Term Advance by making the following payments:

(i) the amounts (in respect of principal) due or to become due and payable to each relevant Covered Bond Swap Provider *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement to the extent not paid out of the Pre-Acceleration Income Priority of Payments, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premium received from any relevant replacement Covered Bond Swap Provider) in accordance with the terms of the relevant Covered Bond Swap Agreement; and

(ii) where appropriate, after taking into account any amounts in respect of principal receivable from a relevant Covered Bond Swap Provider on the Distribution Date or such future Distribution Date as the Trust Manager may reasonably determine, the amounts (in respect of principal) due and payable or to become due and payable to the Intercompany Loan Provider *pari passu* and rateably in respect of each relevant Term Advance;

(g) *seventh*, to pay the Consideration for Mortgage Loan Rights assigned by the Seller to the Covered Bond Guarantor in accordance with the Mortgage Sale Agreement;

(h) *eighth*, to repay such amount of the principal outstanding on the Demand Loan that is due and payable to the Demand Loan Provider pursuant to the terms of the Demand Loan Agreement, to the extent that such payment has not already been made in accordance with paragraph (e) above (including as a result of an In Specie Failure) and subject to the Asset Coverage Test being satisfied on the date of such repayment after taking into account such repayment;

(i) *ninth*, to be paid to the Income Unitholder in whole or partial satisfaction of any entitlement to Net Trust Income of the Trust remaining unpaid; and

(j) *tenth,* the remainder to be paid to the Capital Unitholder.

No part of the Available Principal Amount will be applied under paragraph (e) above by the Covered Bond Guarantor. The Trust Manager must ensure that paragraph (e) above is satisfied by applying any amount standing to the credit of the OC Account and, if applicable, by an in specie distribution to the Demand Loan Provider of the In Specie Mortgage Loan Rights pursuant to the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus. The amount described in paragraph (h) above may also be satisfied, in the Trust Manager's discretion, by an in specie distribution to the Demand Loan Provider of the In Specie Mortgage Loan Rights rather than by application of any Available Principal Amount.

Allocation and distribution of Available Principal Amount following service of an Asset Coverage Test Breach Notice

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

19.

(a) an Issuer Event of Default and service of an Issuer Acceleration Notice; or

(b) the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice,

the Available Principal Amount will continue to be applied in accordance with the Pre-Acceleration Principal Priority of Payments save that, whilst any Covered Bonds remain outstanding, no moneys will be applied under paragraph (c), (e), (f)(ii), (g), (h), (i) or (j) of the Pre-Acceleration Principal Priority of Payments, and the remaining Available Principal Amount (if any) will be deposited into the GIC Account (with a corresponding credit to the Principal Ledger) and will form part of the Available Principal Amount to be applied on the following Distribution Date.

Allocation and distribution of Available Income Amount and Available Principal Amount following service of a Notice to Pay

At any time after the service of a Notice to Pay on the Covered Bond Guarantor, but prior to the service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, the Available Income Amount and Available Principal Amount will be applied as described below.

The Trust Manager, will create and maintain the Pre-Maturity Ledger for each Series of Hard Bullet Covered Bonds and record amounts allocated to such Series of Hard Bullet Covered Bonds, and such amounts, once allocated, will only be available to pay amounts due under the Covered Bond Guarantee and amounts due under the relevant Covered Bond Swap in respect of the relevant Series of Hard Bullet Covered Bonds on the scheduled repayment dates thereof.

If a Notice to Pay has been served on the Covered Bond Guarantor, on the Final Maturity Date of a Series of Hard Bullet Covered Bonds, the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply all moneys (if any) standing to the credit of the Pre-Maturity Ledger to repay the relevant Series (after having been exchanged into the applicable currency if required under the related Covered Bond Swap).

Guarantee Priority of Payments

On each Distribution Date (except for amounts due to third parties described under paragraph (e)(ii) below which in each case will be paid when due and, for the avoidance of doubt, excluding any Swap Collateral Excluded Amounts due to the relevant Swap Providers by the Covered Bond Guarantor under the relevant Swap Agreements, which shall be paid directly to the relevant Swap Providers in accordance with the relevant Swap Agreements) the Trust Manager must direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must upon receiving that direction, apply the Available Income Amount, the Available Principal Amount, any In Specie Mortgage Loan Rights (but only in the case of paragraph (g) or (p) below) and the amount standing to the credit of the OC Account (but only in the case of paragraph (g) below) to make the following payments and provisions in the following order of priority (**Guarantee Priority of Payments**) (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

(a) *first*, A$1 to the Income Unitholder;

(b) *second*, in or towards satisfaction of any Accrued Interest Adjustment due and payable to the Seller in connection with the transfer of any Mortgage Loan Rights to the Trust during the Collection Period immediately preceding that Distribution Date;

(c) *third*, to reimburse the Seller for funding any Trust Further Advances made by the Seller to the extent not reimbursed in accordance with the Servicing Deed or on any previous Distribution Date;

(d) *fourth*, in or towards satisfaction *pari passu* and rateably of:

(i) all amounts due and payable or to become due and payable to the Bond Trustee (excluding all amounts otherwise payable to the Covered Bondholders and Couponholders under the Guarantee Priority of Payments) in the Trust Payment Period in which such Distribution Date occurs under the provisions of the Bond Trust Deed together with interest and any applicable GST (or other similar Taxes) in respect of such amounts;

(ii) all amounts due and payable or to become due and payable to the Security Trustee (excluding all amounts otherwise payable to the Covered Bondholders and Couponholders under the Guarantee Priority of Payments) in the Trust Payment Period in which such Distribution Date occurs under the provisions of the Security Deed together with interest and any applicable GST (or other similar Taxes) in respect of such amounts;

(iii) all amounts due and payable or to become due and payable to the Covered Bond Guarantor as trustee of the Trust in the Trust Payment Period in which such Distribution Date occurs under the Establishment Deed together with interest and any applicable GST (or other similar Taxes) in respect of such amounts;

(e) *fifth*, in or towards satisfaction *pari passu* and rateably of:

(i) any remuneration then due and payable to the Agents under the provisions of the Agency Agreements together with applicable GST (or other similar Taxes) in respect of such amounts;

(ii) any amounts then due and payable by the Covered Bond Guarantor to third parties and incurred without breach by the Covered Bond Guarantor of the Programme Documents to which it is a party (and for which payment has not been provided for elsewhere in this Guarantee Priority of Payments) and to provide for any such amounts expected to become due and payable by the Covered Bond Guarantor in the Trust Payment Period in which such Distribution Date occurs; and

(iii) any liability of the Covered Bond Guarantor for Taxes;

(f) *sixth*, in or towards satisfaction *pari passu* and rateably of:

(i) any remuneration then due and payable to the Servicer and any Liabilities then due or to become due and payable to the Servicer in the Trust Payment Period in which such Distribution Date occurs under the Servicing Deed together with any applicable GST (or other similar Taxes) in respect of such amounts;

(ii) any remuneration then due and payable to the Trust Manager and any Liabilities then due or to become due and payable to the Trust Manager in the Trust Payment Period in which such Distribution Date occurs under the Management Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(iii) amounts (if any) due and payable to the Account Bank (including costs) pursuant to the terms of the Account Bank Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts; and

(iv) amounts due and payable to the Cover Pool Monitor (other than the amounts referred to in paragraph (o) below) pursuant to the terms of the Cover Pool Monitor Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(g) *seventh*, if the Demand Loan Provider has requested repayment of all or part of the Demand Loan in accordance with the Demand Loan Agreement, in and towards repayment of that amount of that request (in whole or in part), subject to the Asset Coverage Test being satisfied on the date of such repayment after giving effect to such repayment;

(h) *eighth*, if the Issuer is not the Interest Rate Swap Provider, in or towards payment on the Distribution Date of any amount due and payable, or to provide for payment on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine of any amount to become due and payable, to the Interest Rate Swap Provider in respect of the Interest Rate Swap Agreement (including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swap Agreement but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amount has been paid out of any premiums received from any replacement Interest Rate Swap Provider) in accordance with the Interest Rate Swap Agreement;

(i) *ninth*, in or towards payment on the Distribution Date or to provide for payment on a future *Distribution* Date of such proportion of the relevant payments falling due in the future as the Trust Manager may reasonably determine, *pari passu* and rateably of:

(i) if the Issuer is the Interest Rate Swap Provider, any amount due and payable, or to provide for payment on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine of any amount to become due and payable, to the Interest Rate Swap Provider in respect of the Interest Rate Swap Agreement

(including any termination payment due and payable by the Covered Bond Guarantor under the Interest Rate Swap Agreement but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any replacement Interest Rate Swap Provider) in accordance with the Interest Rate Swap Agreement;

(ii) any amounts due or to become due and payable to each relevant Covered Bond Swap Provider (other than in respect of principal) *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(iii) Scheduled Interest that is Due for Payment (or that will become Due for Payment in the Trust Payment Period in which such Distribution Date occurs) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Principal Paying Agent (other than in respect of the A$ Registered Covered Bonds) or the A$ Registrar (in the case of A$ Registered Covered Bonds) on behalf of the Covered Bondholders and Couponholders *pari passu* and rateably in respect of each Series of Covered Bonds,

but, in the case of any such payment or provision (other than a payment or provision under paragraph (i)(i) above), after taking into account, if applicable, any amounts (other than principal) receivable from each relevant Covered Bond Swap Provider under each relevant Covered Bond Swap Agreement on the Distribution Date or a future Distribution Date as the Trust Manager may reasonably determine, provided that if the amount available for distribution under this paragraph (i) (excluding any amounts received or to be received from each relevant Covered Bond Swap Provider) to the relevant Covered Bondholders would be insufficient to pay the Australian Dollar Equivalent of the Scheduled Interest that is or will be Due for Payment in respect of each Series of Covered Bonds under sub-paragraph (iii) above, the shortfall will be divided amongst all such Series of Covered Bonds on a *pari passu* and rateable basis and the amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made under the relevant Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds under sub-paragraph (ii) above will be correspondingly reduced to take into account the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(j) *tenth*, in or towards payment on the Distribution Date or to provide for payment in the immediately following Trust Payment Period, *pari passu* and rateably of:

(i) any amounts (in respect of principal) due or to become due and payable to each relevant Covered Bond Swap Provider *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement to the extent not already paid under paragraph (i)(ii) above, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(ii) (where appropriate, after taking into account any amounts in respect of principal receivable from the relevant Covered Bond Swap Provider and available to make payments in respect thereof) Scheduled Principal that is Due for Payment (or that will become Due for Payment in the immediately following Trust Payment Period) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Principal Paying Agent on behalf of the Covered Bondholders *pari passu* and rateably in respect of each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (j) (excluding any amounts received or to be received from the relevant Covered Bond Swap Providers) would be insufficient to pay the Australian Dollar Equivalent of the Scheduled Principal that is or will be Due for Payment in respect

of each Series of Covered Bonds under sub-paragraph (ii) above, the shortfall will be divided amongst all such Series of Covered Bonds on a *pari passu* and rateable basis and the amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made in respect thereof under sub-paragraph (i) above will be correspondingly reduced to take into account the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(k) *eleventh*, in or towards payment on the Distribution Date (if such date is an Interest Payment Date) or to provide for payment on any Interest Payment Date prior to the immediately following Distribution Date of the Final Redemption Amount (or portion remaining unpaid) of any Series of Covered Bonds to which an Extended Due for Payment Date applies and whose Final Redemption Amount was not paid in full by the Extension Determination Date, *pari passu* and rateably of:

(i) any amounts due or to become due and payable to the relevant Covered Bond Swap Provider (whether or not in respect of principal) *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement to the extent not already paid under paragraph (i)(ii) or (j)(i) above, but excluding any relevant Excluded Swap Termination Amount) (except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(ii) such Final Redemption Amount *pari passu* and rateably under the Covered Bond Guarantee in respect of each relevant Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Principal Paying Agent on behalf of the Covered Bondholders,

but, in the case of any such payment or provision, after taking into account, if applicable, any amounts (whether or not in respect of principal) receivable from each relevant Covered Bond Swap Provider under each relevant Covered Bond Swap Agreement, provided that if the amount available for distribution under this paragraph (k) (excluding any amounts received or to be received from the relevant Covered Bond Swap Provider) would be insufficient to pay the Australian Dollar Equivalent of such Final Redemption Amount in respect of the relevant Series of Covered Bonds under sub-paragraph (ii) above, the shortfall will be divided amongst all such Series of Covered Bonds on a *pari passu* and rateable basis and any amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap Agreement in respect of each Series of Covered Bonds under sub-paragraph (i) above will be correspondingly reduced to take into account the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

(l) *twelfth*, to deposit the remaining moneys in the GIC Account for application on the immediately following Distribution Date in accordance with the priority of payments described in paragraphs (a) to (k) (inclusive) above, until the Covered Bonds have been fully repaid or provided for (such that the Required Redemption Amount has been accumulated in respect of each outstanding Series of Covered Bonds);

(m) *thirteenth,* in or towards payment *pari passu* and rateably of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the Swap Agreements, except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Swap Providers;

(n) *fourteenth,* in or towards payment of all amounts due and payable (whether in respect of principal or interest) under the Intercompany Loan Agreement;

(o) *fifteenth,* in or towards payment of certain costs, expenses and indemnity amounts due by the Covered Bond Guarantor to the Cover Pool Monitor pursuant to the Cover Pool Monitor Agreement;

(p) *sixteenth,* in or towards payment of any amounts due and payable under the Demand Loan pursuant to the terms of the Demand Loan Agreement to the extent that such payment has not already been made in accordance with paragraph (g) above (including as a result of an In Specie Failure);

(q) *seventeenth,* to be paid to the Income Unitholder in whole or partial satisfaction of any entitlement to the Net Trust Income of the Trust remaining unpaid; and

(r) *eighteenth*, the remainder to be paid to the Capital Unitholder.

No part of the Available Principal Amount or the Available Income Amount will be applied under paragraph (g) above by the Covered Bond Guarantor. The Trust Manager must ensure that paragraph (g) above is satisfied by applying any amount standing to the credit of the OC Account and, if applicable, by an in specie distribution to the Demand Loan Provider of the In Specie Mortgage Loan Rights pursuant to the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus. The amount described in paragraph (p) above may also be satisfied, in the Trust Manager's discretion, by an in specie distribution to the Demand Loan Provider of the In Specie Mortgage Loan Rights rather than by application of any Available Principal Amount or Available Income Amount.

Amounts received on or after the Distribution Date

Amounts received under the Covered Bond Swap Agreements

(a) Subject to paragraph (c) below, any amounts (other than in respect of principal and any Swap Collateral Excluded Amounts) received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap Agreement on or after a Distribution Date but prior to the immediately succeeding Distribution Date will be applied by the Covered Bond Guarantor (acting on the directions of the Trust Manager) together with any provision for such payments made on any preceding Distribution Date, to make payments (other than in respect of principal) due and payable *pari passu* and rateably in respect of each relevant Term Advance or otherwise to make provision for such payments on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine.

(b) Subject to paragraph (c) below, any amounts (other than Swap Collateral Excluded Amounts) in respect of principal received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap Agreement on or after a Distribution Date but prior to the immediately succeeding Distribution Date will be applied, by the Covered Bond Guarantor (acting on the directions of the Trust Manager) together with any provision for such payments made on any preceding Distribution Date (provided that all principal amounts outstanding under the related Series of Covered Bonds which have fallen due for repayment on such date have been repaid in full by the Issuer), to make payments in respect of principal due and payable in respect of the corresponding Term Advances or otherwise to make provision for such payments on such date in the future of such proportion of the relevant payment falling due in the future as the Trust Manager may reasonably determine.

(c) At any time after the service of a Notice to Pay on the Covered Bond Guarantor, but prior to service of a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, any amounts (other than Swap Collateral Excluded Amounts) received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap Agreement (whether or not in respect of principal) on or after a Distribution Date but prior to the immediately succeeding Distribution Date will be applied, by the Covered Bond Guarantor (acting on the directions of the Trust Manager) together with any provision for such payments made on any preceding Distribution Date, to make payments of Scheduled Interest or Scheduled Principal under the Covered Bond Guarantee *pari passu* and rateably in respect of each relevant Series of Covered Bonds.

(d) Any amounts (other than in respect of principal and any Swap Collateral Excluded Amounts) received by or on behalf of the Covered Bond Guarantor under a Covered Bond Swap Agreement on or after a Distribution Date but prior to the immediately succeeding Distribution Date that are not applied towards a payment or provision in accordance with paragraph (f) of the Pre-Acceleration Income Priority of Payments, paragraph (i) of the Guarantee Priority of Payments or paragraph (a) or (c) above will be deposited by the Covered Bond Guarantor (acting on the directions of the Trust Manager) into the GIC Account and will form part of the Available Income Amount to be applied on that Distribution Date (if received on that day) or on the immediately succeeding Distribution Date (if received after that Distribution Date).

(e) Any amounts (other than Swap Collateral Excluded Amounts) of principal received under a Covered Bond Swap Agreement on a Distribution Date or any date prior to the immediately succeeding Distribution Date which are not applied towards a payment or provision in accordance with paragraph (f) of the Pre-Acceleration Principal Priority of Payments, paragraph (j) of the Guarantee Priority of Payments or paragraph (b) or (c) above, will be deposited by the Covered Bond Guarantor (acting on the

directions of the Trust Manager) into the GIC Account and will form part of the Available Principal Amount to be applied on that Distribution Date (if received on that day) or on the immediately succeeding Distribution Date (if received after that Distribution Date).

Amounts received in respect of extinguishment of the Seller's interest in Mortgage Loan Rights

Any amounts of principal received from the Seller in respect of an extinguishment of the Seller's interest in, or transfer by the Seller of, Mortgage Loan Rights to enable the Covered Bond Guarantor (acting on the directions of the Trust Manager) to apply such amounts to repay any relevant Term Advance on the date on which the Covered Bonds corresponding to such Term Advance mature will not be applied in accordance with the Pre-Acceleration Principal Priority of Payments and will (after being swapped, if necessary, under the relevant Covered Bond Swap) be applied or be deemed to be applied by the Covered Bond Guarantor (acting on the directions of the Trust Manager) in repayment of the relevant Term Advances on the date on which the Covered Bonds corresponding to such Term Advances mature, subject to the Asset Coverage Test being satisfied on the date of such repayment after giving effect to such repayment and after taking into account amounts that will be paid or provided for on the immediately following Distribution Date.

Termination payments in respect of Swaps and premiums received in respect of replacement Swaps

If the Covered Bond Guarantor receives any termination payment from a Swap Provider in respect of a Swap, the Trust Manager will direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, use such termination payment (prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantee Acceleration Notice) towards the payment to a replacement Swap Provider to enter into a replacement Swap with the Covered Bond Guarantor (and, for the avoidance of doubt, the amount of such termination payment received from the Swap Provider will not form part of the Available Income Amount or Available Principal Amount to the extent it is used to make such payment to such replacement Swap Provider), unless a replacement Swap has already been entered into on behalf of the Covered Bond Guarantor or if no replacement Swap is entered into in which case the termination payment will be applied in accordance with the applicable Priority of Payments. In the case that the full amount of the termination payment is not required to pay the replacement Swap Provider, the remaining part of the termination payment will be applied in accordance with the applicable Priority of Payments.

If the Covered Bond Guarantor receives any premium from a replacement Swap Provider in respect of a replacement Swap, the Trust Manager will direct the Covered Bond Guarantor to, and the Covered Bond Guarantor must, use such premium towards making any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Swap (and, for the avoidance of doubt, the amount of such premium used to pay the applicable termination payment will not form part of the Available Income Amount or Available Principal Amount to the extent it is used to make such payment to such previous Swap Provider), unless such termination payment has already been made by or on behalf of the Covered Bond Guarantor in which case the premium will be applied in accordance with the applicable Priority of Payments. In the case that the full amount of the premium payment is not required to pay the previous Swap Provider, the remaining part of the premium payment will be applied in accordance with the applicable Priority of Payments.

Application of moneys received by the Security Trustee following the service of a Covered Bond Guarantee Acceleration Notice

From and including the time when the Bond Trustee serves a Covered Bond Guarantee Acceleration Notice on the Covered Bond Guarantor and the Issuer, no amount may be withdrawn from the Trust Accounts without the prior written consent of the Security Trustee.

Post-Enforcement Priority of Payments

All moneys received or recovered by the Security Trustee or any Receiver (excluding all amounts due or to become due in respect of any Third Party Amounts and, for the avoidance of doubt, excluding any Swap Collateral Excluded Amounts due to the relevant Swap Providers by the Covered Bond Guarantor, under the relevant Swap Agreements, which will be paid directly to the relevant Swap Provider in accordance with the relevant Swap Agreement), any In Specie Mortgage Loan Rights (but only in the case of paragraphs (f) and (k) below) and any amount standing to the credit of the OC Account (but only in the case of paragraph (f) below), after service of a Covered Bond Guarantee Acceleration Notice, for the benefit of the Secured Creditors in respect of the Secured Obligations, must be held by it in the Trust Accounts on trust to be applied (unless required otherwise by law), in

the following order of priority (and, in each case, only if and to the extent that payments or provisions of a higher order of priority have been made in full) (the **Post-Enforcement Priority of Payments**):

(a) *first*, in or towards satisfaction of any Accrued Interest Adjustment outstanding to the Seller in connection with the transfer of any Mortgage Loan Rights to the Trust;

(b) *second*, in or towards payment to the Seller of any unreimbursed Trust Further Advances made by the Seller;

(c) *third*, in or towards satisfaction *pari passu* and rateably of:

(i) all amounts due and payable or to become due and payable to the Bond Trustee under the provisions of the Bond Trust Deed (but not including amounts otherwise payable to Covered Bondholders under this Post-Enforcement Priority of Payments) together with interest and any applicable GST (or similar Taxes) in respect of such amounts;

(ii) all amounts due and payable or to become due and payable to the Security Trustee and any Receiver (but not including amounts otherwise payable to Covered Bondholders under this Post-Enforcement Priority of Payments) together with interest and any applicable GST (or similar Taxes) in respect of such amounts; and

(iii) all amounts due and payable or to become due and payable to the Covered Bond Guarantor under the provisions of the Establishment Deed together with interest and any applicable GST (or similar Taxes) in respect of such amounts;

(d) *fourth,* in or towards satisfaction *pari passu* and rateably of any remuneration then due and payable to the Agents under or pursuant to each Agency Agreement together with any applicable GST (or similar Taxes) in respect of such amounts as provided in the relevant Agency Agreement;

(e) *fifth*, in or towards satisfaction *pari passu* and rateably of:

(i) any remuneration then due and payable to the Servicer and any Liabilities then due or to become due and payable to the Servicer under the provisions of the Servicing Deed, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(ii) amounts due to the Account Bank (including any Liabilities) pursuant to the terms of the Account Bank Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts; and

(iii) any remuneration then due and payable to the Trust Manager and any Liabilities then due or to become due and payable to the Trust Manager under the Management Agreement, together with any applicable GST (or other similar Taxes) in respect of such amounts;

(f) *sixth*, in or towards payment of any amounts due and payable under the Demand Loan pursuant to the terms of the Demand Loan Agreement (in whole or in part) subject to the Asset Coverage Test being satisfied on the date of such repayment after giving effect to such repayment;

(g) *seventh*, in or towards satisfaction of any amounts due and payable to the Interest Rate Swap Provider, if the Issuer is not the Interest Rate Swap Provider, (including any termination payment, but excluding any relevant Excluded Swap Termination Amount) pursuant to the terms of the Interest Rate Swap Agreement;

(h) *eighth*, in or towards satisfaction *pari passu* and rateably of:

(i) if the Issuer is the Interest Rate Swap Provider, any amounts due and payable to the Interest Rate Swap Provider (including any termination payment, but excluding any relevant Excluded Swap Termination Amount) pursuant to the terms of the Interest Rate Swap Agreement;

(ii) any amounts due and payable to each relevant Covered Bond Swap Provider *pari passu* and rateably in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement, but excluding any relevant Excluded Swap Termination Amount) (except to the

extent that such amounts have been paid out of any premiums received from any relevant replacement Covered Bond Swap Provider) in accordance with the relevant Covered Bond Swap Agreement; and

(iii) any amounts due and payable under the Covered Bond Guarantee, to the Bond Trustee or (if so directed by the Bond Trustee) the relevant Agent on behalf of the Covered Bondholders *pari passu* and rateably in respect of interest and principal due and payable on each Series of Covered Bonds,

provided that if the amount available for distribution under this paragraph (h) (excluding any amounts received from the relevant Covered Bond Swap Provider) to the Covered Bondholders would be insufficient to pay the Australian Dollar Equivalent of the amounts due and payable under the Covered Bond Guarantee in respect of each Series of Covered Bonds under sub-paragraph (iii) above, the shortfall will be divided *pari passu* and rateably amongst all such Series of Covered Bonds on a *pari passu* and rateable basis and any amount payable by the Covered Bond Guarantor to the relevant Covered Bond Swap Provider under the relevant Covered Bond Swap in respect of each relevant Series of Covered Bonds or provision to be made under the relevant Covered Bond Swap in respect of each relevant Series of Covered Bonds under sub-paragraph (ii) above will be correspondingly reduced to take account of the shortfall applicable to the Covered Bonds in respect of which such payment or provision is to be made;

(i) *ninth*, in or towards satisfaction *pari passu* and rateably of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the relevant Swap Agreements except to the extent that such amounts have been paid out of any premiums received from any relevant replacement Swap Providers;

(j) *tenth*, in or towards payment of all amounts outstanding under the Intercompany Loan Agreement;

(k) *eleventh*, in or towards payment of any amounts outstanding under the Demand Loan Agreement to the extent that such payment has not already been made in accordance with paragraph (f) above (including as a result of an In Specie Failure);

(l) *twelfth*, to be paid to the Income Unitholder in whole or partial satisfaction of any entitlement to Net Trust Income of the Trust remaining unpaid; and

(m) *thirteenth*, the remainder to be paid to the Capital Unitholder.

No moneys received or recovered by the Security Trustee or any Receiver are to be applied under paragraph (f) above. The amount payable in accordance with paragraph (f) above may only be satisfied by the Security Trustee or the Receiver applying any amount standing to the credit of the OC Account and, if applicable, by an in specie distribution to the Demand Loan Provider of the In Specie Mortgage Loan Rights pursuant to the section "*Overview of the Principal Documents – Demand Loan Agreement*" in this Prospectus. The amount described in paragraph (k) above may also be satisfied by an in specie distribution by the Security Trustee or any Receiver to the Demand Loan Provider of the In Specie Mortgage Loan Rights rather by the application of any moneys received or recovered by the Security Trustee or any Receiver.

THE MORTGAGE LOAN RIGHTS

The Mortgage Loan Rights forming part of the Assets of the Trust acquired by the Covered Bond Guarantor consist of Mortgage Loan Rights sold by the Seller to the Covered Bond Guarantor from time to time, in accordance with the terms of the Mortgage Sale Agreement, as more fully described under the section "*Overview of the Principal Documents – Mortgage Sale Agreement*" in this Prospectus.

Any schedule of Mortgage Loan Rights attached to any Sale Notice may be provided in a document stored upon electronic media (including, but not limited to, electronic mail and CD-ROM).

See also the following risk factors under the section "*Risk Factors – Risk Factors Relating To The Covered Bond Guarantor, Including The Ability Of The Covered Bond Guarantor To Fulfil Its Obligations In Relation To The Covered Bond Guarantee*" in this Prospectus.

ORIGINATION, MORTGAGE LOAN FEATURES AND ENFORCEMENT

The Mortgage Loans assigned to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement will consist of Mortgage Loans originated by the Seller. The origination process and types of Mortgage Loans are summarised below. However, the origination guidelines and types of Mortgage Loans may change in the future. See also the sections "*Risk Factors – Risk Factors Relating To The Covered Bond Guarantor, Including The Ability Of The Covered Bond Guarantor To Fulfil Its Obligations In Relation To The Covered Bond Guarantee – The Servicing Guidelines*" and "*Risk Factors – Risk Factors Relating To The Covered Bond Guarantor, Including The Ability Of The Covered Bond Guarantor To Fulfil Its Obligations In Relation To The Covered Bond Guarantee – Limited description of the Mortgage Loan Rights*" in this Prospectus.

Origination Process

The Mortgage Loans to be assigned to the Covered Bond Guarantor by the Seller comprise a portfolio of variable and fixed rate loans which were originated by the Seller through loan applications from new and existing customers. The Seller's mortgage loan applications are sourced from the Seller's branch network, its mobile sales force, retail relationship managers, home loan solutions, its telephone sales operation (including video conferencing), approved and accredited mortgage brokers, private, business and institutional banking relationship managers and through the internet from the Seller's website at www.commbank.com.au or via NetBank.

Approval and Underwriting Process

When a mortgage loan application is received it is processed in accordance with the Seller's approval policies. These policies are monitored and are subject to continuous review by the Seller, which, like other lenders in the Australian residential mortgage loan market, does not divide its borrowers into groups of differing credit quality for the purposes of setting standard interest rates for their residential housing loans. In certain situations discounts to interest rates are provided to customers depending on various circumstances. All Borrowers must satisfy the appropriate Seller's approval criteria.

Authorised roles within the Seller are provided with the authority and accountability to assist customers with the lending application and process. Staff occupying these roles must have necessary skills and knowledge to meet the full financial needs of customers with particular regard to lending products, sales and services, risk management and associated issues. Authorised roles include, but are not limited to, a personal lender, mobile banker, premier banker, home loan solutions and private banker. This authority includes verifying income and property valuations and is supported by published policy, processes and system controls as well as monitoring of applications. Applications scored as "refer" and those that are not auto-decisioned are assessed by an appropriately authorised staff member in a credit risk analyst role.

Credit risk analysts must be assessed prior to a personal credit approval authority delegation being approved. The credit risk analyst's performance and approval authority is constantly monitored and reviewed by the Seller. This ensures that loans are approved by a credit risk analyst with the proper authority level and that the quality of the underwriting process by each individual lending officer is maintained.

Mortgage loans processed by the Seller are assessed by either an auto-decision credit system or manually by a credit risk analyst. Applications that are not approved by the credit system are referred to a credit risk analyst holding a personal credit approval authority. A loan will be approved or declined by a credit risk analyst holding the appropriate level of delegation and loans which have higher risk characteristics or does not meet the Seller's normal lending criteria are assessed by a credit risk analyst with higher delegation.

The approval process includes verifying the borrower's application details, assessing their ability to repay the mortgage loan and determining the valuation of the mortgaged property.

Verification of application details

The verification process involves borrowers providing proof of identity and evidence of income. For an employed applicant, it includes confirming employment and income levels using evidence such as payslips, salary credits to transaction accounts or tax assessments. For a self-employed or company applicant it includes checking annual accounts and tax assessments. Where applicants are refinancing debts from another financial institution, a check of recent account conduct either via statement or Comprehensive Credit Reporting (CCR) is made to determine the regularity of debt payments. The credit history of any existing borrowings from the Seller and any other financial institution is also checked.

Assessing ability to repay

Based upon the application, once verified, an assessment is made of the applicant's ability to repay the mortgage loan. This is primarily based on the applicant's net servicing position along with any risk factors identified in verifying the applicant's income, savings or credit history. The credit decision is made using one of the following processes.

(a) Credit scorecard

A credit scorecard system automatically and consistently applies to the Seller's credit assessment rules without relying on the credit experience of the inputting officer. The credit scorecard returns a decision to approve, decline or refer an application. An application is referred by the system if certain risk factors, such as loan size or a negative net servicing position, are present which require the application to be assessed by an experienced credit risk analyst. The credit score determined by this system is based on historical performance data of the Seller's Mortgage Loan portfolio.

(b) Credit approval authorities

Housing loan applications which are not assessed by the auto-decision credit system and those which are referred or declined by the auto-decision credit system are assessed by a credit risk analyst. Each credit risk analyst is allocated a personal credit approval authority based on their level of experience and past performance. Loans which have certain risk characteristics, such as loan size or a negative net servicing position, are assessed by more experienced credit risk analysts. The Seller monitors the quality of lending decisions and conducts regular audits of approvals.

In addition to the processes described above, all mortgage loan applications are also subject to a credit history search of the Borrower which is provided by Equifax Inc., formerly known as Veda Advantage Ltd, and prior to that, Baycorp Advantage Ltd.

Borrowers in respect of mortgage loans may be natural persons, corporations or trusts. Housing loans to corporations and trusts may be secured, if deemed necessary, by guarantees from directors. Guarantees may also be obtained in other circumstances.

Valuation of mortgaged property

For applications which successfully pass the credit decision process, the maximum allowable loan-to-value ratio, being the ratio of the Mortgage Loan amount to the value of the mortgaged property, is calculated and an offer for finance is made conditional upon a satisfactory valuation of the mortgaged property and any other outstanding conditions being satisfied. The amount of the mortgage loan that will be approved for a successful applicant is based on an assessment of the applicant's ability to service the proposed mortgage loan and the loan-to-value ratio. For the purposes of calculating the loan-to-value ratio, the value of a mortgaged property has been determined at origination by a qualified professional valuer or, subject to certain risk criteria, a validated owner's estimated value or a contract for the purchase of the mortgaged property using an automated valuation model. The risk criteria includes limits on the loan amount and the value and geographical location of the security property.

The maximum loan-to-value ratio that is permitted for any loan is determined according to the Seller's credit policy and is dependent on the size of the proposed loan, the nature and location of the proposed mortgaged property and other relevant factors. Where more than one mortgaged property is offered as security for a mortgage loan, the sum of the valuations for each mortgaged property is assessed against the mortgage loan amount sought.

The Seller's formal loan offer with the loan security documentation is printed at the point of sale or provided digitally by the loan originator or in some cases sent by one of the Seller's loan processing centres to borrowers for acceptance and execution. After acceptance and execution, the documentation, together with signed acknowledgement that all non-documentary conditions of approval have been met, is returned by the business unit to the loan processing centre authorising settlement and funding of the mortgage loan to proceed. In certain circumstances, settlement and funding are completed at the business unit level.

One of the conditions of settlement is that the borrower establishes and maintains full replacement general home owner's insurance on the mortgaged property. However, there is no ongoing monitoring of the level of home owner's insurance maintained by borrowers.

The Seller's Product Types

Set out below is a summary of the Seller's housing loan product types. The products described below apply to both owner occupied and investment housing loans.

The Seller offers a wide variety of housing loan product types with various features and options that are further described in this section. Market competition and economics may require that the Seller offer new product types or add features to a housing loan which are not described in this section.

The Seller's standard variable rate and fixed rate home loan/investment home loan

These types of loan are the Seller's traditional standard mortgage products which consists of standard variable rate and fixed rate options. The standard variable rate product is not linked to any other variable rates in the market. However, it may fluctuate with market conditions. Borrowers may switch to a fixed interest rate at any time as described below in "*Switching Interest Rates*". Some of the mortgage loans will be subject to fixed rates for differing periods.

In March 2026, all standard variable rate and fixed rate home loans automatically include various packages, including but not limited to Wealth Package or Mortgage Advantage package. Customers cannot access these products without the packaged feature set and package benefits. These packaged products include an interest rate discounted by a fixed percentage to the standard variable rate or the fixed rate.

The Seller's extra, economiser, rate saver, digi and simple home loan/investment home loan

These types of loans have a variable interest rate which is not linked to the standard variable rate product and which may fluctuate independently of this and other standard variable rates in the market. These types of loans were introduced by the Seller to allow borrowers who did not require a full range of product features to access a low fee offering. In September 2018, the Economiser Home Loan, Rate Saver and No Fee Variable Rate Home Loans were removed from sale for new fundings, leaving the Extra Variable Rate Loan, Digi Home Loan and Simple Home Loan as the primary basic products available for sale. Of the features described below, at present only those headed "*Redraws and Further Advances*", "*Interest Only Periods*" and "*Repayment Holiday*" are available. The '*Interest Offset'* feature described below is available to the Digi and Simple Home Loan.

However, some borrowers availing themselves of the "Interest Only Periods" product feature for the economiser and rate saver home/investment home loan are no longer eligible for the product feature "Redraws and Further Advances". To take advantage of other features borrowers must, with the agreement of the Seller switch their mortgage loan to a standard variable rate loan, extra variable rate home loan or fixed rate loan product. However, these or other features may in the future be offered to borrowers. There are various minimum borrowing amounts across these products.

Special Features of the Mortgage Loans

Each Mortgage Loan may have some or all of the features described in this section. In addition, during the term of any Mortgage Loan, the Servicer may agree to change any of the terms of that Mortgage Loan from time to time at the request of the Borrower.

Switching Interest Rates

Borrowers may elect for a fixed rate, as determined by the Seller to apply to their mortgage loan. Previously, this may have been for a period of up to 15 years. However new borrowers may fix their loan repayments for periods of between 1 and 5 years since September 2018. These mortgage loans convert to the standard variable interest rate at the end of the agreed fixed rate period unless the borrower elects to fix the interest rate for a further period. Any variable rate Mortgage Loan converting to a fixed rate product will automatically be matched by an increase in the fixed rate swaps to hedge the fixed rate exposures.

Substitution of Security

A Borrower may apply to the Servicer to achieve the following:

(a) substitute a different mortgaged property in place of the existing mortgaged property securing a Mortgage Loan; or

(b) release a mortgaged property from a mortgage.

If the Servicer's credit criteria are satisfied and another property acceptable to the Servicer is substituted for the existing security for the Mortgage Loan, the mortgage which secures the existing Mortgage Loan may be discharged without the Borrower being required to repay the Mortgage Loan. The Servicer must obtain the consent of any relevant mortgage insurer to the substitution of security or a release of a mortgage where this is required by the terms of a mortgage insurance policy. See the section "*Overview of the Principal Documents – Servicing Deed*" in this Prospectus.

Redraws and Further Advances

See the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Further Advances*" in this Prospectus.

Repayment Holiday

A borrower is allowed a repayment holiday where it has taken a Principal and Interest loan option and the borrower has prepaid enough principal to cover the required monthly repayment amount (RMRA) during the holiday period, creating a difference between the outstanding principal balance of the loan and the scheduled amortised principal balance of the Mortgage Loan. The borrower is not required to make any payments, including payments of interest, until the outstanding principal balance of the Mortgage Loan plus unpaid interest equals the scheduled amortised principal balance and/or a maximum term of 12 months. The failure by the borrower to make payments during a repayment holiday will not cause the related mortgage loan to be considered delinquent.

Early Repayment

A borrower may incur a fee if an early repayment occurs on a fixed rate loan. A borrower may also incur break fees if an early repayment or partial prepayment of principal occurs on a fixed rate Mortgage Loan. However, at present fixed rate loans allow for partial prepayment by the borrower of up to A$10,000 in any 12 month period without any break fees being applicable.

Combination or "Split" Mortgage Loans

A borrower may elect to split a mortgage loan into separate funding portions which may, among other things, be subject to different types of interest rates. Each part of the mortgage loan is a different account which may be consolidated into the one consumer credit contract, even though all the separate loans are secured by the same mortgage. A loan split may be set up at origination or a borrower may elect to split one loan into two or more loan accounts at any stage during the life of the loan. In the case of one loan split into two, the first loan will be repaid by the amount funded onto the second loan account.

Interest Offset

Currently, the Seller has two interest offset features on certain home loan/investment home loan products known as a mortgage interest saver account (**MISA**) and Everyday Offset account (**Everyday Offset**) under which the interest accrued on the borrower's deposit account is offset against interest on the borrower's Mortgage Loan. To simplify the offset options available to customers, from 16 March 2019 new Mortgage Loan accounts are only eligible to use the Everyday Offset option as the MISA has been quarantined. The Seller does not actually pay interest to the borrower on the loan offset account, but simply reduces the amount of interest which is payable by the borrower under its Mortgage Loan. The borrower continues to make its scheduled mortgage payment with the result that the portion allocated to principal is increased by the amount of interest offset. Fixed rate loans receive a partial offset under the MISA arrangement but are not eligible for an Everyday Offset arrangement.

The Seller will pay to the Trust the aggregate of all interest amounts offset in respect of the mortgage loans for which it is the Seller. These amounts will constitute Finance Charge Collections for the relevant period.

If, following a Perfection of Title Event, the Covered Bond Guarantor obtains legal title to a Mortgage Loan, the Seller will no longer be able to offer an interest offset arrangement for that Mortgage Loan.

Interest Only Periods

A borrower may also request to make payments of interest only on their mortgage loan. If the Seller agrees to such a request it does so conditional upon higher principal repayments. The interest only period can be extended

beyond the initial period providing the total interest only period for the life of the loan does not exceed the following terms:

- housing loans (owner occupied) - 5 years;
- housing loans (investment) - 15 years with a maximum of 5 years at a time.

Special Introductory Rates

The introductory rate offering was removed from sale and not available for loans originated after October 2020. On the expiry of the introductory offer for existing customers, these mortgage loans automatically convert to the extra variable rate less any agreed discount. Buyers can choose at this point to rollover to the higher variable rate or consider other products available at the time.

Additional Features

The Seller and Servicer, as applicable, may from time to time offer additional features in relation to a Mortgage Loan which are not described in the preceding section or may cease to offer features that have been previously offered and may add, remove or vary any fees or other conditions applicable to such features.

Collection and Enforcement Procedures

Pursuant to the terms of the mortgage loans, borrowers must make the minimum repayment due under the terms and conditions of the mortgage loans, on or before each monthly instalment due date. A borrower may elect to make his or her repayments weekly or fortnightly so long as the equivalent of the minimum monthly repayment is received on or before the monthly instalment due date. Borrowers often select repayment dates to coincide with receipt of their salary or other income. In addition to payment to a retail branch by cash or cheque, mortgage loan repayments may be made by direct debit to a nominated bank account or direct credit from the borrower's salary by their employer.

A mortgage loan is subject to action in relation to arrears of payment whenever the monthly repayment is not paid by the monthly instalment due date. However, under the terms of the mortgage loans, borrowers may prepay amounts which are additional to their required monthly repayments to build up a "credit buffer", being the difference between the total amount paid by them and the total of the monthly repayments required to be made by them. If a borrower subsequently fails to make some or all of a required monthly repayment, the servicing system will apply the amount not paid against the credit buffer until the total amount of missed payments exceeds the credit buffer. The mortgage loan will be considered to be arrears only in relation to that excess.

The Servicer's automated collections system identifies all mortgage loan accounts which are in arrears and produces lists of those mortgage loans. The collection system allocates overdue loans to the Servicer's designated collection officers who take action in relation to the arrears.

Actions taken by the Servicer in relation to delinquent accounts will vary depending on a number of elements, including the following and, if applicable, with the input of a mortgage insurer:

(i) arrears history;

(ii) equity in the property;

(iii) arrangements made with the borrower to meet overdue payments; and

(iv) hardship, sensitive matters or vulnerability of the customers.

If satisfactory arrangements cannot be made to rectify a delinquent mortgage loan, legal notices are issued and recovery action is initiated by the Servicer. This includes, if the Servicer obtains possession of the mortgaged property, ensuring that the mortgaged property supporting the mortgage loan still has adequate general home owner's insurance and that the upkeep of the mortgaged property is maintained. Recovery action is arranged by experienced collections staff in conjunction with internal or external legal advisers. A number of sources of recovery are pursued including the following:

(i) voluntary sale by the mortgagor;

(ii) guarantees;

(iii) government assistance schemes such as early release of superannuation if the customer can demonstrate on-going serviceability;

(iv) mortgagee sale;

(v) claims on mortgage insurance; and

(vi) action against the mortgagor/borrower personally.

The Servicer reports all actions that it takes on overdue mortgage loans to the relevant mortgage insurer where required in accordance with the terms of the mortgage insurance policies.

Collection and Enforcement Process

When a mortgage loan becomes delinquent a combination of contact methods will be used to follow up with the borrower seeking full and immediate clearance of all arrears. The type of contact methods may include SMS, digital messages via app or netbank, reminder letter and phone call. The timing of the follow up contact depends on the risk profile of the account, but generally contact is made within the first 15 days of the account becoming delinquent. If the mortgage loans have a direct debit payment arrangement and there are sufficient funds available, a direct debit retry of the nominated account may be made to rectify the arrears.

If an arrangement has not been entered into to rectify the arrears, a default notice is sent advising the borrower that if the matter is not rectified, the Servicer is entitled to commence enforcement proceedings. The days delinquent that the notice is sent is dependent on the risk profile of the account and certain customer level considerations such as natural disaster or sensitive personal matters. Generally, a default notice will be sent with notice to a borrower advising that failure to comply will result in the Servicer exercising its power of sale. Following further legal notices, if the borrower fails to clear arrears or enter a repayment solution this will prompt a letter of demand and notice to vacate. During this time, the Servicer makes all reasonable attempts to contact the borrower to agree a mutually satisfactory solution.

Service of a statement of claim is the initiating process in the relevant Australian court.

Once a borrower is served with a statement of claim, the borrower is given the legal notice period to file a notice of appearance and defence and, failing this, the Servicer will apply to the court to have judgment entered in its favour. The Servicer will then apply for a writ of possession whereby the sheriff will set an eviction date. Appraisals and valuations are ordered and a reserve price is set for sale by way of public auction, tender or private treaty. Time frames may vary dependent on whether the borrower has either taken any action or has not honoured any commitments made in relation to the delinquency to the satisfaction of the Servicer and the mortgage insurers.

It should also be noted that the Servicer's ability to exercise its power of sale on the mortgaged property is dependent upon the statutory restrictions of the relevant state or territory as to notice requirements. In addition, there may be factors outside the control of the mortgagee such as whether the mortgagor contests the sale and the market conditions at the time of sale. These issues may affect the length of time between the decision of the Servicer to exercise its power of sale and final completion of the sale. See also the section "*Risk Factors – Risk Factors Relating To The Covered Bond Guarantor, Including The Ability Of The Covered Bond Guarantor To Fulfil Its Obligations In Relation To The Covered Bond Guarantee – Enforcement of Mortgage Loans can involve substantial costs and delays and may not permit full recovery by the Servicer*" in this Prospectus.

The collection and enforcement procedures may change from time to time in accordance with business judgment and changes to legislation and guidelines established by the relevant regulatory bodies.

DESCRIPTION OF THE COVERED BONDS PROVISIONS OF THE AUSTRALIAN BANKING ACT

The Banking Amendment (Covered Bonds) Act 2011 (Cth) (the **Amendment Act**) came into force on 17 October 2011 and amended the Australian Banking Act to specifically facilitate the issuance of covered bonds by Australian authorised deposit-taking institutions (**ADIs**). The Amendment Act sets out a detailed regulatory framework for the issuance of covered bonds (the **Covered Bonds Provisions**). At the date of this Prospectus, there are no regulations in support of the Covered Bonds Provisions. On 13 June 2019, APRA issued an updated final prudential standard (Prudential Standard APS 121 Covered Bonds) (**APS 121**) which sets out the prudential requirements that apply to ADIs that issue covered bonds in accordance with the Covered Bonds Provisions. On 25 October 2022, APRA released minor consequential amendments arising from the ADI capital reforms to 11 prudential standards, including APS 121. The amended APS 121 became effective on 1 January 2023. The key requirements of this Prudential Standard are that an authorised deposit-taking institution must adopt policies and procedures to manage risks relating to its issuance of covered bonds, and apply an appropriate capital treatment to exposures associated with covered bond issuance.

Eligible Issuer

The Australian Banking Act allows for ADIs that are regulated by APRA to issue covered bonds subject to compliance with the requirements of the Australian Banking Act. Any such covered bonds must be secured by assets beneficially owned by a covered bond special purpose vehicle. The Covered Bond Guarantor is a "covered bond special purpose vehicle" for the purposes of the Australian Banking Act.

Cap on issuance

Under the Australian Banking Act, an ADI is precluded from issuing covered bonds if, at the time of issuance, the value of the assets in all cover pools maintained by the ADI exceeds 8% (or such other percentage prescribed by regulation for the purposes of section 28 of the Australian Banking Act) of the value of the ADI's assets in Australia at that time.

Eligible assets

The Australian Banking Act provides that the cover pool for covered bonds consists of the assets beneficially owned by the covered bond special purpose vehicle to the extent that they secure the liabilities to the covered bondholders equally or in priority to any other liabilities. It also sets out the assets eligible for inclusion in a cover pool held by the covered bond special purpose vehicle for the purposes of securing covered bonds issued by an ADI. Accordingly, the assets in a cover pool must be one of the following:

(a) at call deposits held with an ADI and convertible into cash within two business days;

(b) bank accepted bills or certificates of deposit not issued by the Issuer that are eligible for repurchase transactions with the RBA and mature within 100 days;

(c) government debt instruments issued or guaranteed by the Commonwealth, a State or a Territory;

(d) residential mortgage loans;

(e) commercial mortgage loans;

(f) mortgage insurance policies or other assets related to a loan referred to in paragraphs (d) and (e) above;

(g) a contractual right relating to the holding or management of another asset in a cover pool;

(h) certain types of derivatives; and

(i) any other asset prescribed from time to time by regulation for the purposes of section 31(1)(i) of the Australian Banking Act.

The value of assets in the cover pool which are bank accepted bills or certificates of deposit as described in paragraph (b) above must not exceed 15% of the face value of the covered bonds. There is currently no such limit prescribed in relation to the other types of assets set out above.

Further, the cover pool must not contain an asset of a kind prescribed by regulation for the purposes of section 31(3) of the Australian Banking Act. There are currently no such assets prescribed by regulation.

The Covered Bonds Provisions expressly provide that a statutory manager or an external administrator of the issuing ADI has no powers in relation to the assets in the cover pool apart from the contractual powers that the issuing ADI may have and the contractual obligations of the issuing ADI in relation to the assets.

APRA's powers under the Australian Banking Act

In addition to the powers that APRA had in relation to an ADI under the Australian Banking Act prior to the enactment of the Covered Bonds Provisions, the Amendment Act has given APRA specific powers relating to covered bond issuances. Those powers include the following:

(a) *No issue:* APRA has the power to direct an issuing ADI not to issue covered bonds where APRA gives a direction under section 11CA of the Australian Banking Act or in circumstances where APRA has reason to believe that the ADI has contravened the Covered Bonds Provisions, the Australian Banking Act, a prudential requirement regulation or a prudential standard relating to covered bonds.

(b) *No top-up:* APRA has the power to direct the issuing ADI, in certain circumstances, not to transfer any asset to the covered bond special purpose vehicle. The relevant circumstances in which APRA may exercise such a power include, amongst other circumstances, where APRA has reason to believe that the issuing ADI has or is likely to contravene the Covered Bonds Provisions, the Australian Banking Act, a prudential requirement regulation or a prudential standard relating to covered bonds, the issuing ADI is unable to meet its liabilities, there has been a material deterioration in the issuing ADI's financial condition, the issuing ADI is conducting its affairs in an improper or financially unsound way, the failure to issue a direction would materially prejudice the interests of the issuing ADI's depositors or the issuing ADI is conducting its affairs in a way that may cause or promote instability of the Australian financial system.

Further, APRA also has the power to direct a covered bond special purpose vehicle in certain circumstances to return assets to the issuing ADI which do not secure covered bond liabilities. A covered bond liability does not include a liability to the issuing ADI (other than a liability in respect of derivatives and for the provision of services) which is secured in priority to any liability to holders of Covered Bonds. However, as described under "*Eligible assets*", to the extent that assets secure the covered bond liabilities of the issuing ADI, the Covered Bonds Provisions expressly provide that a statutory manager or an external administrator of the issuing ADI has no powers in relation to those assets.

For a more detailed description of APRA's powers and the potential consequences for the Programme, see the section "*Risk Factors – APRA's powers under the Australian Banking Act*" in this Prospectus.

Maintenance of the cover pool

The Covered Bonds Provisions require the issuing ADI to maintain the value of the cover pool at an amount which is no less than a specified minimum. The issuing ADI must ensure that the value of the assets in the cover pool is at least 103% of the face value of the outstanding covered bonds. For the purpose of calculating the value of the assets in the cover pool, the Australian Banking Act imposes a maximum loan to value ratio of no greater than 80% in respect of loans secured by a mortgage over residential property and a maximum loan to value ratio of no greater than 60% in respect of loans secured by a mortgage over commercial property, in each case, taking into account any prior or equal ranking loans secured by that property.

The Australian Banking Act does not specify a maximum level of over-collateralisation which affords ADIs the flexibility to determine the appropriate level of over-collateralisation. However APRA has the power to prevent an ADI from maintaining the cover pool in particular circumstances, such as where the ADI is facing financial difficulty. See the section "*APRA's powers under the Australian Banking Act*" above.

Cover Pool Monitor

The Covered Bonds Provisions require a cover pool monitor to be appointed in respect of the cover pool securing the covered bonds issued by an ADI. The cover pool monitor must be an auditor registered under the Australian Corporations Act or the holder of an Australian Financial Services Licence (**AFSL**) covering the provision of financial services as a cover pool monitor or be exempt from holding such an AFSL. The issuing ADI or an associated entity (as defined in the Australian Corporations Act) of the issuing ADI is not permitted to be the cover pool monitor.

The functions of the cover pool monitor include, amongst others, to:

(a) assess the maintenance of an accurate register by the ADI or the covered bond special purpose vehicle of the assets in the cover pool at least every six months;

(b) assess the Issuer's and the Seller's compliance with sections 31 and 31A of the Australian Banking Act;

(c) provide reports relating to the cover pool to APRA on written request by APRA; and

(d) other functions prescribed by regulation for the purposes of section 30 of the Australian Banking Act.

BOOK ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer, the Covered Bond Guarantor, the Security Trustee, the Bond Trustee nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Covered Bond Guarantor nor any other party to the Principal Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Covered Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

N Covered Bonds will not be cleared through any Clearing Systems (including Euroclear, Clearstream, Luxembourg, Austraclear and The Depository Trust Company).

Book-entry systems

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Transfers of Covered Bonds represented by Regulation S Global Covered Bonds

Transfers of any interests in Covered Bonds represented by a Regulation S Global Covered Bond within Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. Euroclear and Clearstream, Luxembourg have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Regulation S Global Covered Bonds among participants and accountholders of Euroclear and Clearstream, Luxembourg. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Bond Trustee, the Security Trustee, the Issuer, the Covered Bond Guarantor, the Agents or any Dealer will be responsible for any performance by Euroclear or Clearstream, Luxembourg, or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Covered Bonds represented by Regulation S Global Covered Bonds or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

The following Taxation section does not apply to N Covered Bonds.

Australian Taxation

The following taxation summary is of a general nature only and addresses only some of the key Australian tax implications that may arise for a prospective Covered Bondholder as a result of acquiring, holding or transferring the Covered Bond. The following is not intended to be and should not be taken as a comprehensive taxation summary for a prospective Covered Bondholder.

*The taxation summary is based on the Australian taxation laws in force and the administrative practices of the Australian Taxation Office (the **ATO**) generally accepted as at the date of this Prospectus. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated and may have retroactive effect.*

Prospective Covered Bondholders should also be aware that particular terms of issue of any Series or Tranche of Covered Bonds may affect the tax treatment of that and other Series or Tranches of Covered Bonds. Covered Bondholders should consult their professional advisers in relation to their tax position. Covered Bondholders who may be liable to taxation in jurisdictions other than Australia in respect of their acquisition, holding or disposal of Covered Bonds are particularly advised to consult their professional advisers as to whether they are so liable (and, if so, under the laws of which jurisdictions), since the following comments relate only to certain Australian taxation aspects of the Covered Bonds. In particular, Covered Bondholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Covered Bonds (including the gross amount of any Coupons) even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Australia.

Taxation of interest on Covered Bonds

Onshore Covered Bondholders

Covered Bondholders who are Australian tax residents or who are non-residents that hold the Covered Bonds in carrying on business at or through a permanent establishment in Australia will be taxable by assessment in respect of any interest income (including potentially the gross amount of any Coupons) derived in respect of the Covered Bonds. Such Covered Bondholders will generally be required to lodge an Australian income tax return. The timing of assessment of the interest (e.g. a cash receipts or accruals basis) will depend upon the tax status of the particular Covered Bondholder, the Conditions of the Covered Bonds and the potential application of the "Taxation of Financial Arrangements" provisions of the Tax Act, which provide for a specialised regime for the taxation of financial instruments that can affect the amount and timing of recognition of any gain or loss in respect of the Covered Bonds.

Tax at the highest marginal income tax rate plus the Medicare Levy (in aggregate, currently 47%) may be deducted from payments on the Covered Bonds if the immediate holder of the Covered Bonds does not provide the Issuer with a tax file number (**TFN**) or an Australian Business Number (**ABN**) (where applicable), or proof of a relevant exemption from quoting such numbers.

Section 126 of the Tax Act imposes a type of withholding tax at a specified rate (currently 45%) on the payment of interest on Bearer Covered Bonds, if the Issuer fails to disclose the names and addresses of the relevant Covered Bondholders to the ATO (or in the case of a Bearer Covered Bond held by a clearing house, the name and address of the clearing house). These rules generally only apply to Covered Bondholders who are Australian tax residents or non-residents that hold the Covered Bonds in carrying on business at or through a permanent establishment in Australia.

Offshore Covered Bondholders

Interest (which for the purposes of withholding tax is defined in section 128A(1AB) of the Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts, including premiums on redemption or, for a Covered Bond issued at a discount, the difference between the amount repaid and the issue price) on debentures and certain other debt interests, will be subject to interest withholding tax at a current rate of 10% where the interest is paid to a non-resident of Australia and not derived in carrying on business at or through an Australian permanent establishment, or to an Australian resident who derived the interest in carrying on business at or through a permanent establishment outside Australia.

Depending on their terms, Covered Bonds could in some cases be characterised as equity interests for tax purposes and be subject to different rules (e.g. Covered Bonds with returns contingent on the Issuer's performance or discretion, or convertible into shares in the Issuer). The Issuer does not intend to issue any Covered Bonds that would be characterised other than as ordinary debt interests or debentures for tax purposes.

Various exemptions are available from interest withholding tax, including the "public offer" exemption, tax treaty exemptions, and pension fund exemption (each discussed further below).

Public offer exemption

An exemption from Australian interest withholding tax will be available under section 128F of the Tax Act in respect of interest paid on any Covered Bonds if the Issuer remains an Australian resident company both at the time it issues the relevant Series or Tranche of Covered Bonds and at the time interest is paid in respect of the Covered Bonds, and the Series or Tranche of Covered Bonds is issued in a manner which satisfies the "public offer test".

There are five principal methods of satisfying the public offer test, being broadly:

(a) offers to 10 or more unrelated financial institutions or securities dealers;

(b) offers to 100 or more investors;

(c) offers of listed Covered Bonds;

(d) offers via publicly available electronic or other information sources; and

(e) offers to a dealer, manager or underwriter who offers to sell those Covered Bonds within 30 days by one of the preceding methods.

The public offer test will not be satisfied in respect of an issue of a Series or Tranche of Covered Bonds if, at the time of issue, the Issuer knew, or had reasonable grounds to suspect, that any of the Covered Bonds, or an interest in any of the Covered Bonds, would be acquired either directly or indirectly by an Offshore Associate (as defined below) of the Issuer, other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Covered Bonds, or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme.

Accordingly, the Covered Bonds should not be acquired by any Offshore Associate of the Issuer, subject to the exceptions referred to above.

Even if the public offer test is initially satisfied in respect of a Series or Tranche of Covered Bonds, if such Covered Bonds later come to be held by an Offshore Associate of the Issuer, and at the time of payment of interest on those Covered Bonds, the Issuer knows or has reasonable grounds to suspect that such person is an Offshore Associate of the Issuer, the exemption under section 128F does not apply to interest paid by the Issuer to such Offshore Associate in respect of those Covered Bonds, unless the Offshore Associate receives the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

For the purposes of this section, an **Offshore Associate** is an "associate" of the Issuer as defined in section 128F(9) of the Tax Act who is:

(a) a non-resident of Australia that does not acquire the Covered Bonds or an interest in the Covered Bonds in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or

(b) a resident of Australia that acquires the Covered Bonds or an interest in the Covered Bonds in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country.

The definition of **associate** includes, among other things, persons who have a majority voting interest in the Issuer, or who are able to influence or control the Issuer, and persons in whom the Issuer has a majority voting interest, or whom the Issuer is able to influence or control (however this is not a complete statement of the definition).

Unless otherwise specified in any applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) (or another relevant supplement to this Prospectus), the Issuer intends to issue the Covered Bonds in a manner which will satisfy the requirements of section 128F of the Tax Act.

Tax treaty exemption

Various Australian double tax agreements, including those with the United States of America, the United Kingdom, Norway, Finland, Iceland, the Republic of France, Japan, Federal Republic of Germany, Switzerland, the Republic of South Africa and New Zealand (each a **Specified Country**), include exemptions from interest withholding tax for interest derived by:

(a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and

(b) certain unrelated banks, and financial institutions which substantially derive their profits by carrying on a business of raising and providing finance, which are resident in the Specified Country, and which are dealing wholly independently with the Issuer (interest paid under a back-to-back loan or economically equivalent arrangement will not qualify for this exemption).

The Australian Government is progressively amending its other double tax agreements to include similar kinds of interest withholding tax exemptions. Prospective Covered Bondholders should obtain their own independent tax advice as to whether any of the exemptions under the relevant double tax agreements may apply to their particular circumstances. In particular, the availability of relief under Australia's tax treaties may be limited by Australia's adoption of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting in circumstances where a Covered Bondholder has an insufficient connection with the relevant jurisdiction.

Pension fund exemption

An exemption is available in respect of interest paid to a non-resident superannuation fund where that fund is a superannuation fund maintained solely for foreign residents and the interest arising from the Covered Bonds is exempt from income tax in the country in which such superannuation fund is resident. However, this exemption may not apply if the fund has either (i) an ownership interest (direct and indirect) of 10% of more in the Issuer, or (ii) influence over the Issuer's key decision making.

Payment of additional amounts

As set out in more detail in the Conditions, and unless expressly provided to the contrary in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) (or another relevant supplement to this Prospectus), if the Issuer is at any time required by law to deduct or withhold an amount in respect of any taxes imposed or levied by the Commonwealth of Australia in respect of the Covered Bonds, the Issuer must, subject to certain exceptions (as set out in Condition 7 of the Programme Conditions), pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those Covered Bonds after such deduction or withholding are equal to the respective amounts which would have been received had no such deduction or withholding been required. If there is a change in law or regulation as set out in Condition 5.2 of the Programme Conditions, requiring the Issuer to pay such additional amounts in relation to any Covered Bonds, the Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than 30 nor more than 60 days' notice to the Bond Trustee (see further Condition 5.2 of the Programme Conditions).

Taxation of gains on disposal or redemption

Onshore Covered Bondholders

Covered Bondholders who are Australian tax residents, or who are non-residents that hold the Covered Bonds in carrying on business at or through a permanent establishment in Australia, will be required to include any gain on disposal or redemption of the Covered Bonds in their assessable income and may be able to deduct any loss on disposal or redemption of the Covered Bonds depending on their personal circumstances.

The determination of the amount and timing of any gain or loss on disposition or redemption of the Covered Bonds may be affected by the "Taxation of Financial Arrangements" provisions of the Tax Act, which provide for a specialised regime for the taxation of financial instruments, and, where the Covered Bonds are denominated

in a currency other than Australian Dollars, the foreign currency rules. Prospective Covered Bondholders should obtain their own independent tax advice in relation to the determination of any gain or loss on disposal or redemption of the Covered Bonds.

Offshore Covered Bondholders

A Covered Bondholder who is a non-resident of Australia and who has never held the Covered Bonds through a permanent establishment in Australia will not be subject to Australian income tax on gains realised on the disposal or redemption of the Covered Bonds, provided such gains do not have an Australian source. A gain arising on the sale of the Covered Bonds by a non-Australian resident holder to another non-Australian resident where the Covered Bonds are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia, should generally not be regarded as having an Australian source. In certain cases, a non-Australian resident holder may be able to claim an exemption from Australian income tax on Australian sourced gains pursuant to the terms of an applicable double tax agreement.

Special rules can apply to treat a portion of the purchase price of Covered Bonds as interest for withholding tax purposes where deferred-return Covered Bonds (for example, Covered Bonds which pay a return that is deferred by more than 12 months) are sold to an Australian Covered Bondholder. Any deemed interest under these rules is able to qualify for exemption from withholding tax as described above.

Payments by the Covered Bond Guarantor

If the Issuer fails to pay an amount of principal or interest on the Covered Bonds, then the Covered Bond Guarantor may be required to make payments to the holders of Covered Bonds under the Covered Bond Guarantee. Where such payments relate to interest (including premiums on redemption or, for a Covered Bond issued at a discount, the difference between the amount repaid and the issue price), it is not clear whether such payments would also be treated as interest for Australian withholding tax purposes. The definition of interest for Australian withholding tax purposes in subsection 128A(1AB) of the Tax Act is very broad and includes amounts in the nature of interest and amounts in substitution for interest.

The ATO's view, as reflected in *Taxation Determination* TD 1999/26, is that such payments under the Covered Bond Guarantee would be interest for Australian withholding tax purposes. Based on this approach, interest withholding tax would be imposed at the rate of 10% in relation to any payments made by the Covered Bond Guarantor in respect of interest on the Covered Bonds (or other amounts due under the Bonds other than the repayment of amounts subscribed for the Bonds) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption that may apply.

As discussed above, the exemption that is commonly relied upon by Australian debt issuers is the public offer exemption in section 128F of the Tax Act. The ATO states in TD 1999/26 that guarantee payments would be treated as exempt from withholding tax under section 128F of the Tax Act if the requirements of that section are satisfied with respect to the underlying Covered Bonds. If the requirements of section 128F of the Tax Act are satisfied with respect to the Covered Bonds, then payments by the Covered Bond Guarantor should not be subject to Australian withholding tax.

In the event payments by the Covered Bond Guarantor are subject to any withholding or deduction for or on account of tax, the Covered Bond Guarantor will not be required to pay any additional amounts (see further Condition 7 of the Programme Conditions).

Stamp duty

No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of the Covered Bonds.

Goods and Services Tax

Neither the issue nor receipt of the Covered Bonds will give rise to a liability for GST in Australia on the basis that the supply of Covered Bonds will comprise either an input taxed financial supply or (in the case of an offshore non-resident subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest on the Covered Bonds would give rise to a GST liability.

Tax treatment of the Covered Bond Guarantor

The tax treatment of the Covered Bond Guarantor could affect the Covered Bond Guarantor's ability to make payments under the Intercompany Loan, the Demand Loan, the Interest Rate Swap, the Covered Bond Swaps and, if called upon, the Covered Bond Guarantee.

Income Tax Status of the Covered Bond Guarantor

As the Trust is wholly owned by the Issuer, it will be a member of the Issuer's tax consolidated group, and will be taken to be a part of the head company of that group for most Australian income tax purposes. The primary responsibility for income tax liabilities rests with the head company of a tax consolidated group. As a result, the Covered Bond Guarantor will not be subject to any income tax liability in respect of the income of the Covered Bond Guarantor in the first instance.

All members of the Issuer tax consolidated group, including the Covered Bond Guarantor, can become jointly and severally liable for the tax liabilities of that group where the head company of that group defaults on those tax liabilities. However, where the members of that group have entered into a valid and effective tax sharing agreement covering all of the group's tax liabilities, the liability of each member, including the Covered Bond Guarantor, will be limited to a reasonable allocation of the group's tax liabilities. Under the Issuer tax consolidated group's tax sharing agreement, subject to certain assumptions regarding the operation of the Covered Bond Guarantor, the Covered Bond Guarantor should have a nil allocation of that group's tax liabilities.

It is the opinion of Allen Overy Shearman Sterling that the Issuer tax consolidated group's tax sharing agreement is consistent with the current guidance published by the Australian Commissioner of Taxation in relation to tax sharing agreements. It should be noted however that it is possible that the Commissioner of Taxation could change his current views, and any ultimate determination rests with the Courts. In addition, certain prescribed circumstances can operate to invalidate a tax sharing agreement, however, the Issuer will seek to ensure that no such circumstances occur. Subject to those qualifications, it is the opinion of Allen Overy Shearman Sterling that the Issuer tax consolidated group's tax sharing agreement is valid and effective.

Additionally, the Covered Bond Guarantor has acceded to the Issuer tax consolidated group's tax funding agreement, under which members of the tax consolidated group may be required to pay funding obligations in respect of taxes. However, under the terms of the tax funding agreement, the Covered Bond Guarantor should not be liable to pay any funding obligations in respect of its activities.

Potential tax reform

The former Australian Government announced proposed changes to update the law regarding the taxation of trusts. The changes enacted to date (which affect managed funds) do not impact the Trust. Depending on the final form of any further legislation, it is possible that the law could be amended in a way that could cause the Covered Bond Guarantor to become subject to a liability in respect of taxes in certain circumstances (or potentially a liability under the Issuer tax consolidated group's tax sharing agreement or tax funding agreement). However, there has been no express statement that such an outcome is intended. In addition, the proposed changes (other than the changes relating to managed funds) have not progressed beyond consultation phase and could potentially be withdrawn.

GST treatment of Covered Bond Guarantor

Pursuant to the terms of the Bond Trust Deed, the Covered Bond Guarantor has guaranteed payments of interest and principal under the Covered Bonds. The Covered Bond Guarantor has agreed to pay an amount equal to the Guaranteed Amount when the same becomes Due for Payment but which would otherwise be unpaid by the Issuer. In addition, the Covered Bond Guarantor has agreed to pay certain other amounts in accordance with the applicable Priority of Payments.

The supply of some services made to the Covered Bond Guarantor may give rise to a liability for GST on the part of the relevant service provider. The GST position in this regard is covered below. However, where the Trust, for which the Covered Bond Guarantor is trustee, and the relevant service provider are grouped for GST purposes, no GST liability arises and input tax credit entitlements in respect of acquisitions made from outside of the GST group will depend on the supplies and acquisitions of the GST group as a whole.

The Trust joined the GST group, of which the Commonwealth Bank of Australia is the representative member, with effect from 1 July 2020 (**CBA GST Group**). Accordingly, the transactions entered into between the members

of the CBA GST group are ignored for GST purposes and transactions entered into by the members of the CBA GST group with persons outside the CBA GST group are attributed to the representative member. The representative member has the liability to pay the GST payable by (and the ability to claim input tax credits payable to) the group. The Trust acceded to the Commonwealth Bank of Australia Indirect Tax Sharing Agreement dated 1 July 2020 (**ITSA**) with effect from 1 July 2020. Subject to our comments below relating to the application of the Taxation Administration Act 1953 (**TAA**), a Trust that joins the CBA GST Group and accedes to the ITSA will not be liable for the indirect tax liabilities of the CBA GST Group.

Under the TAA, members of a GST group are jointly and severally liable to pay any indirect tax amount that is payable by a representative member under an indirect tax law. Where members of a GST group enter into an indirect tax sharing agreement that complies with section 444-90 of Schedule 1 to the TAA, the liability of a particular member of the GST group to pay an indirect tax amount may be limited to its "contribution amount" as calculated under the indirect tax sharing agreement. We understand that the purpose of the ITSA was to limit the indirect tax liability of each member of the CBA GST Group in this way, including the Trust, which is now part of the CBA GST Group. Assuming that the allocation methodology in the ITSA is accepted by the Australian Commissioner of Taxation as being reasonable, and subject to certain other assumptions regarding the ITSA, the CBA GST Group's ITSA should be regarded as valid and effective. It is possible that the Commissioner of Taxation could take a different view, and any ultimate determination rests with the Courts. It is expected that, unless there are any reverse charge GST obligations of the Covered Bond Guarantor, the "contribution amount" for the Covered Bond Guarantor should be nil.

In relation to the acquisition of taxable services by the Covered Bond Guarantor from a service provider who is not part of the same GST group:

(a) In the ordinary course of business, the service provider would charge the Covered Bond Guarantor an additional amount on account of GST unless the agreed fee is already GST-inclusive.

(b) Assuming that the CBA GST Group exceeds the financial acquisitions threshold for the purposes of Division 189 of the GST Act and the CBA GST Group will not be entitled to utilise the borrowing concession set out in s 11-15(5) of the GST Act, an input tax credit or a full input tax credit from the ATO would not be available to the extent that the acquisition relates to input taxed supplies made by the Covered Bond Guarantor (including in respect of the Intercompany Loan, the Demand Loan and any Mortgage Loan Rights to be acquired by the Covered Bond Guarantor).

(c) In the case of acquisitions which relate to the making of supplies of the nature described above, a "reduced input tax credit" may be available to the CBA GST Group in relation to certain acquisitions prescribed in the *A New Tax System (Goods and Services Tax) Regulations 2019* (**GST Regulations**), but only where the Covered Bond Guarantor is the recipient of the taxable supply and the Covered Bond Guarantor either provides, or is liable to provide, the consideration for the taxable supply. As at the date of this Prospectus, the reduced input tax credit for entities that are not "recognised trust schemes" as defined in the GST Law is 75% of 1/11th of the GST inclusive consideration payable by the Covered Bond Guarantor to the relevant service provider, and for entities that are "recognised trust schemes" as defined in the GST Law, is equal to 55% of 1/11th of the GST inclusive consideration payable by the Covered Bond Guarantor. As neither the Covered Bond Guarantor nor the CBA GST Group will be a "recognised trust scheme", the reduced input tax credit would be 75% of 1/11th of the GST inclusive consideration.

(d) Where services are provided to the Covered Bond Guarantor by an entity comprising an associate of the Covered Bond Guarantor for income tax purposes (but who is not a member of the same GST group), those services are provided for nil or less than market value consideration, and a full input tax credit is not available for the GST payable in relation to the supply, the relevant GST (and any input tax credit) would be calculated by reference to the market value of those services.

In the case of supplies performed outside Australia for the purposes of the Covered Bond Guarantor's business, these may attract a liability for Australian GST if they are supplies of a kind which would have been taxable if they occurred in Australia and if the Covered Bond Guarantor would not have been entitled to a full input tax credit if the supply had been performed in Australia. This is known as the "reverse charge" rule. Where the rule applies, the liability to pay GST to the ATO falls not on the supplier, but on the Covered Bond Guarantor.

Where GST is payable on a taxable supply made to the Covered Bond Guarantor, this will mean that less money is available to the Covered Bond Guarantor to make payments in accordance with the applicable Priority of Payments (which would include Guaranteed Amounts).

United Kingdom Taxation

The following is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue & Customs practice relating only to United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) by the Issuer in respect of the Covered Bonds. The United Kingdom tax treatment of prospective holders of Covered Bonds depends on their individual circumstances and may be subject to change in the future. Prospective holders of Covered Bonds who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Payments of interest on the Covered Bonds by the Issuer that do not have a United Kingdom source may be made without withholding on account of United Kingdom income tax.

Foreign Account Tax Compliance Act Withholding

Certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as the Foreign Account Tax Compliance Act (**FATCA**) establish, in an effort to assist the United States Internal Revenue Service (**IRS**) in enforcing U.S. taxpayer compliance, a due diligence, reporting and withholding regime.

Under FATCA, a 30% withholding may be imposed (i) in respect of certain U.S. source payments and (ii) in respect of certain foreign passthru payments (noting that based on draft regulations, this withholding would only apply from the date that is two years after the date on which final regulations defining "**foreign passthru payments**" are published in respect of such "foreign passthru payments"), which are, in each case, paid to or in respect of entities that fail to meet certain certification or reporting requirements or do not comply with FATCA. The Covered Bonds issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Covered Bonds (as described under Condition 13) that are not distinguishable from previously issued Covered Bonds are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Covered Bonds, including the Covered Bonds offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Financial institutions through which payments on the Covered Bonds are made may be required to withhold on account of FATCA. A withholding may be required if:

(a) an investor or beneficial owner does not provide certification or sufficient information to the relevant financial institution to meet the requirements for waiver of any applicable FATCA withholding; or

(b) a foreign financial institution (**FFI**) to or through which payments on the Covered Bonds are made is a "non-participating FFI".

If a payment to a Covered Bondholder is subject to withholding as a result of FATCA pursuant to either of the above paragraphs there will be no "gross up" (or any additional amount) payable by the Issuer by way of compensation to the Covered Bondholder for the deducted amount.

The Covered Bondholders may be requested to provide certain certifications and information to financial institutions through which payments on the Covered Bonds are made in order for the financial institutions to comply with their FATCA obligations.

A number of jurisdictions (including Australia) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions.

Australian financial institutions which are "Reporting Australian Financial Institutions" under the Australia IGA must follow specific due diligence procedures to identify their account holders and provide information about financial accounts held by U.S. persons and recalcitrant account holders and on payments made to non-participating FFIs, to the ATO. The ATO is required to provide that information to the IRS.

Under the provisions of the Australian IGA as currently in effect, there would generally not be a requirement for the Issuer to withhold under FATCA or the Australian IGA from payments made in relation to the Covered Bonds.

However, FATCA is particularly complex legislation and its application is not certain at this time, and may be subject to change in a way that would alter the application of FATCA to the Issuer and the Covered Bonds.

Each Covered Bondholder should consult its own tax advisor to obtain a more detailed explanation of FATCA and applicable IGAs and to learn how they might affect such holder in its particular circumstance.

Common Reporting Standard

The Organisation for Economic Co-operation and Development Standard for Automatic Exchange of Financial Account Information (**CRS**) requires certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. Covered Bondholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a competent authority agreement may provide this information to other jurisdictions that have signed a competent authority agreement.

Prospective investors should consult their tax advisers on how the CRS may apply to such investor.

SUBSCRIPTION AND SALE AND SELLING RESTRICTIONS

The Dealers have pursuant to an amended and restated programme agreement dated 20 July 2026 (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 Covered Bond Guarantor a basis upon which such Dealers or any of them may from time to time agree to purchase Covered Bonds. Any such agreement for any particular purchase by a Dealer will extend to those matters stated in the sections "*Form of the Covered Bonds*" and "*Terms and Conditions of the Covered Bonds*" in this Prospectus. As at the date of this Prospectus, the Dealers are the Bank and those other Dealers named herein 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 in certain circumstances to be released and discharged from their obligations under the Programme Agreement prior to the closing of the issue of the relevant Covered Bonds, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the Issue Date. In this situation, the issuance of the relevant Covered Bonds may not be completed. Investors will have no rights against the Issuer or the Dealers in respect of any expense incurred or loss suffered in these circumstances.

United States

Each 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 or any applicable securities laws of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, 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 not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act. In addition, the Covered Bonds cannot be resold in the United States or to U.S. persons unless they are subsequently registered or an exemption from such registration requirement is available.

In connection with any Regulation S Global Covered Bonds, each Dealer appointed under the Programme will be required to agree that it has not offered, sold or delivered the Covered Bonds of any identifiable Series or Tranche, and will not offer and sell the Covered Bonds of any identifiable Series or Tranche within the United States or to, or for the account or benefit of U.S. persons (a) as part of their distribution at any time; and (b) during the Distribution Compliance Period, and except in either case in accordance with Regulation S under the Securities Act. Accordingly, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Regulation S Covered Bonds, and it and they have complied and will comply with the offering restrictions requirement of Regulation S under the Securities Act.

In addition, until the expiration of the Distribution Compliance Period, an offer or sale of Regulation S Global Covered Bonds within the United States by any Dealer, (whether or not participating in the offering), may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from the registration requirements under the Securities Act. Each Dealer who has purchased Covered Bonds of a Series or Tranche agrees to notify the Principal Paying Agent or the Lead Manager, when it has completed the distribution of its portion of the Covered Bonds of any identifiable Series or Tranche so that the Principal Paying Agent or the Lead Manager may determine the completion of the distribution of all Covered Bonds of that Series or Tranche and notify any other Relevant Dealer of the end of the Distribution Compliance Period. Each Dealer agrees that, at or prior to confirmation of sale of Covered Bonds outside the United States, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Covered Bonds from it during the Distribution Compliance Period a confirmation or notice to substantially the following effect:

> "THIS SECURITY AND ANY GUARANTEE IN RESPECT THEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE PRINCIPAL AGENCY AGREEMENT IN

RESPECT OF THIS SECURITY (THE **PRINCIPAL 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."

Terms used in the above paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, unless the information given to the Relevant Dealer(s) in respect of a non-syndicated issue or the Subscription Agreement relating to one or more Tranches or Series specifies that TEFRA is "not applicable", each such Dealer represents, warrants and agrees in relation to each Tranche of Bearer Covered Bonds that:

(a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury Regulation Section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the **D Rules**),

  (i) it has not offered or sold, and during the restricted period will not offer or sell, Bearer Covered Bonds to a person who is within the United States or its possessions or to a United States person; and

  (ii) it has not delivered and will not deliver within the United States or its possessions Bearer Definitive Covered Bonds that are sold during the restricted period;

(b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Covered Bonds are aware that such Covered Bonds may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if it is a United States person, it is acquiring the Bearer Covered Bonds for purposes of resale in connection with their original issuance and if it retains Bearer Covered Bonds for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6) (or any successor U.S. Treasury Regulation Section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010);

(d) with respect to each affiliate that acquires from it Bearer Covered Bonds for the purpose of offering or selling such Covered Bonds during the restricted period, it either (i) repeats and confirms the representations contained in paragraphs (a), (b) and (c) on behalf of such affiliate or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations contained in paragraphs (a), (b) and (c); and

(e) it will not enter into a written contract (apart from a confirmation or other notice of the transaction) for the offer or sale during the restricted period of Bearer Covered Bonds with any person other than its affiliate(s) unless it obtains the representations and agreements contained in paragraphs (a) to (d) from the person with whom it enters into such written contract.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder, including the D Rules.

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

Prohibition of Sales to EEA Retail Investors

Unless the applicable Final Terms or the applicable Pricing Supplement in respect of any Covered Bonds specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", 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 applicable 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;

(ii) a customer within the meaning of Directive (EU) 2016/97, as amended, 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 **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.

If the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in respect of any Covered Bonds specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA, 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 made and will not make an offer of Covered Bonds which are the subject of an offering contemplated by this Prospectus as completed by the Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in relation thereto to the public in that Member State, except that it may make an offer of such Covered Bonds to the public in that Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the Relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Covered Bonds referred to in paragraphs (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression **offer of Covered Bonds to the public** in relation to any Covered Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the applicable Final Terms or the applicable Pricing Supplement in respect of any Covered Bonds specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Covered Bonds which are the subject of this Prospectus as completed by applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable 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 either one (or both) of the following:

(i) not a professional client, as defined in point (8) of Article 2(1) of UK MiFIR; or

(ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (the **POATRs**); and

(b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to buy or subscribe for the Covered Bonds.

If the applicable Final Terms or the applicable Pricing Supplement in respect of any Covered Bonds specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", in relation to the UK, 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 made and will not make an offer of Covered Bonds which are the subject of this Prospectus as completed by the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in relation thereto to the public in the UK, except that it may make an offer of such Covered Bonds to the public in the UK at any time:

(a) to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(b) to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the UK subject to obtaining the prior consent of the Relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

For the purposes of this provision the expression **offer of Covered Bonds to the public** in relation to any Covered Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to buy or subscribe for the Covered Bonds.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) 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 or, in the case of the Issuer, would not, if it was not an authorised person, apply to the Covered Bond Guarantor or the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom.

Belgium

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that an offering of Covered Bonds may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1, 2° of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Covered Bonds, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Covered Bonds, directly or indirectly, to any Belgian Consumer.

Australia

No prospectus or other disclosure document (as defined in the Australian 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 in connection with the distribution of each Tranche of Covered Bonds, it:

(a) will not make (directly or indirectly) any offer or invitation in Australia or any offer or invitation which is received in Australia in relation to the issue, sale or purchase of any Covered Bonds; and

(b) has not distributed or published and will not distribute or publish any information memorandum, advertisement, disclosure document or other offering material relating to the Covered Bonds in Australia,

unless (i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 for the Covered Bonds or its foreign currency equivalent (in either case disregarding moneys, if any, lent by the Issuer or other person offering the Covered Bonds or its associates (within the meaning of those expressions in Part 6D.2 of the Australian 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 Australian Corporations Act; (ii) the offer or invitation is not made to a person who is a " retail client" (as defined in section 761G or 761GA of the Australian Corporations Act), (iii) such action complies with all applicable laws, regulations and directives and (iv) such action does not require any document to be lodged or registered with ASIC.

Canada

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has offered and sold and will offer and sell the Covered Bonds only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

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 (except for Covered Bonds which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong) (**SFO**) other than (a) to "professional investors" as defined in the SFO and any rules made thereunder; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (**C(WUMP)O**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Covered Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Covered Bonds which are or are intended to be 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 has not offered or sold and will not offer or sell any Covered Bonds, directly or indirectly, in Japan or to, or for the account or 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 account or benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

New Zealand

No action has been taken to permit the Covered Bonds to be directly or indirectly offered or sold to any retail investor, or otherwise under any regulated offer, in terms of the Financial Markets Conduct Act 2013 of New Zealand (the **FMCA**). In particular, no product disclosure statement or limited disclosure document under the FMCA has been or will be prepared or lodged in New Zealand in relation to the Covered Bonds.

Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not directly or indirectly offered, sold or delivered and will not directly or indirectly offer, sell or deliver any Covered Bond in New Zealand and it will not distribute any offering memorandum or advertisement (as defined in the FMCA) in relation to any offer of Covered Bonds, in New Zealand other than to "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the FMCA, being :

(a) a person who is:

(i) an "investment business";

(ii) “large”; or

(iii) a "government agency",

in each case as defined in Schedule 1 to the FMCA; or

(b) a person who meets the "investment activity criteria" specified in clause 38 of Schedule 1 to the FMCA.

In addition, no person may distribute any offering material or advertisement (as defined in the FMCA) in relation to any offer of Covered Bonds in New Zealand other than to such permitted persons as referred to in the paragraph above.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not directly or indirectly offered or sold, and will not directly or indirectly offer or sell, any Covered Bonds to persons whom it believes to be: (a) persons who are resident in New Zealand for New Zealand income tax purposes; (b) persons who carry on business in New Zealand through a fixed establishment (as defined for New Zealand income tax purposes) in New Zealand and hold the Covered Bonds or Coupons for the purposes of a business carried on through that fixed establishment; or (c) a registered bank engaged in business through a fixed establishment in New Zealand, unless such persons certify that they have ‘RWT-exempt status’ (as that term is defined in the Income Tax Act 2007 of New Zealand) and provide a New Zealand tax file number to such Dealer (in which event such Dealer will provide details thereof to the Issuer or to a Paying Agent).

Republic of Italy

The offering of the Covered Bonds has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no Covered Bonds may be offered, sold or delivered, nor may copies of this Prospectus (including the applicable Final Terms or the applicable Pricing Supplement) or of any other document relating to the Covered Bonds be distributed in the Republic of Italy.

Macau

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no Covered Bonds have been or will be registered or otherwise authorised for public offer under the Financial System Act of Macau (Decree-Law no. 32/93M of July 5, 1993) (the **Financial System Act**) or promoted, distributed, sold or delivered in Macau, and no document relating to any Covered Bonds will be distributed or circulated in Macau, except by Macau licensed entities following notification to the Macau Monetary Authority and under the terms of, and in compliance with, the Financial System Act and any other laws, guidelines and recommendations in Macau that may apply from time to time to the offer and sale of any Covered Bonds in Macau.

Republic of Korea

The Covered Bonds have not been and will not be registered with the Financial Services Commission of Korea for public offering in the Republic of Korea (**Korea**) under the Financial Investment Services and Capital Markets Act (the **FSCMA**).

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, directly or indirectly, any Covered Bonds in Korea or to any resident of Korea except as otherwise permitted under the applicable laws and regulations of Korea, including

the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the **FETL**).

For a period of one year from the issue date of the Covered Bonds, any acquirer of the Covered Bonds who was solicited to buy the Covered Bonds in Korea is prohibited from transferring any of the Covered Bonds to another person in any way other than as a whole to one transferee. Furthermore, the purchaser of the Covered Bonds shall comply with all applicable regulatory requirements (including but not limited to requirements under FETL) in connection with the purchase of the Covered Bonds.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore and the Covered Bonds will be offered pursuant to exemptions under the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the **SFA**). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not 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 SFA) pursuant to Section 274 of the SFA or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that this Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Covered Bonds and the Covered Bonds may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act, as amended (the **FinSA**) and no application has or will be made to admit the Covered Bonds to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Covered Bonds constitutes a prospectus pursuant to the FinSA, and 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 People's Republic of China

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Covered Bonds in the People's Republic of China (the **PRC**), except as permitted by the applicable laws or regulations of the PRC.

Taiwan

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that the Covered Bonds (i) have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of the Republic of China (**Taiwan**) and/or other regulatory authority of Taiwan pursuant to the relevant securities laws and regulations and (ii) may not be offered, issued or sold within Taiwan through a public offering or in circumstances that constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or any other relevant laws and regulations that require a registration or filing with, or approval of, the Financial Supervisory Commission of Taiwan and/or other regulatory authority of Taiwan. Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that no person or entity in Taiwan has been authorised or will be authorised to offer or sell the Covered Bonds in Taiwan.

N Covered Bonds

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it will offer or sell N Covered Bonds in the Federal Republic of Germany only in compliance with all applicable German securities laws, in particular, the German Capital Investments Act (Vermögensanlagengesetz); and

(b) it will offer or sell N Covered Bonds in the Federal Republic of Germany only to institutional investors (institutionelle Investoren) within the meaning of the note of the German Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) on the deposit taking business of 4 August 2011 (Merkblatt – Hinweise zum Tatbestand des Einlagengeschäfts), as amended, and not in any manner which could result in the Issuer being subject to any licence requirement under the German Banking Act (Kreditwesengesetz).

General

These selling restrictions may be amended in relation to a specific Series or Tranche of Covered Bonds by agreement between the Issuer and the Relevant Dealer or, if more than one, the Lead Manager on behalf of the Relevant Dealers. These selling restrictions may also be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification and any additional selling restrictions with which any Relevant Dealer will be required to comply will be set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) issued in respect of the issue of Covered Bonds to which it relates or in a supplement to the Prospectus.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that to the best of its knowledge and belief it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Covered Bonds or possesses or distributes the Prospectus or any other offering material and that it 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, regulations and directives 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 Covered Bond Guarantor nor any of the other Dealers will have any responsibility therefor.

None of the Issuer, the Covered Bond Guarantor or any of the Dealers has represented that Covered Bonds may at any time lawfully be sold in compliance with any appropriate registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Series or Tranche of Covered Bonds, the relevant Dealer(s) will be required to comply with such other restrictions as the Issuer and the relevant Dealer(s) shall agree as a term of issue and purchase as indicated in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

GENERAL INFORMATION

Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the establishment, implementation and operation of the Programme and the issue and performance of Covered Bonds issued by it. The establishment, implementation and operation of the Programme and the issue of the Covered Bonds by it thereunder were authorised by the Group Treasurer of the Issuer.

Listing of Covered Bonds

The admission of the Programme to listing on the Official List of the FCA and to trading on the London Stock Exchange's main market took effect on or about 18 November 2011. The price of the Covered Bonds on the price list of the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). Any Tranche of Covered Bonds intended to be admitted to trading on the London Stock Exchange's main market will be so admitted to trading upon submission to the London Stock Exchange of the applicable Final Terms and any other information required by the London Stock Exchange, subject to the issue of the relevant Covered Bonds. Prior to admission to trading, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.

However, Covered Bonds may be issued pursuant to the Programme which will not be admitted to listing, trading and/or quotation by the London Stock Exchange or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.

Documents Available

For the life of this Prospectus or whilst any Covered Bonds are outstanding, the following documents will be, when published, available for inspection on the Issuer's website at https://www.commbank.com.au/about-us/group-funding/covered-bonds.html (other than in the case of the constitutive documents of the Covered Bond Guarantor, which will be made available at the office of the Issuer):

(i) the constitutive documents of the Issuer;

(ii) the constitutive documents of the Covered Bond Guarantor;

(iii) any Final Terms relating to Covered Bonds of the Issuer which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. (In the case of any Exempt Covered Bonds which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, copies of the applicable Pricing Supplement will only be available for inspection by the relevant Covered Bondholders from the registered office of the Issuer or by appointment from the specified office of the Principal Paying Agent. The Principal Paying Agent may provide such documents for inspection by electronic means.);

(iv) the Bond Trust Deed (which includes the Covered Bond Guarantee and the forms of the Global Covered Bonds, the Definitive Covered Bonds, the Coupons and the Talons) but excluding the Final Terms and Pricing Supplement as set out in paragraph (iii)); and

(v) a copy of this Prospectus, together with any supplement to this Prospectus or further Prospectus and any documents incorporated by reference.

The Prospectus and the Final Terms for Covered Bonds that are listed on the Official List and admitted to trading on the London Stock Exchange's main market will be published on the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com.

Clearing Systems

The Covered Bonds, other than the N Covered Bonds, may be cleared through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The Common Code and the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Covered Bonds will be set out in the applicable Final Terms (or, in the case of

Exempt Covered Bonds, the applicable Pricing Supplement). The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

If the Covered Bonds are to be cleared through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Significant or Material Change

Since the last day of the financial period in respect of which the most recent audited financial statements have been published, there has been no material adverse change in the prospects of the Issuer and its subsidiaries, taken as a whole.

Since the last day of the financial period in respect of which the most recent audited or unaudited financial statements have been published, there has been no significant change in the financial performance or financial position of the Issuer and its subsidiaries, taken as a whole.

Since the last day of the financial period in respect of which the most recent audited financial statements of the Trust (including the auditor's report and the notes thereto) have been published, there has been no significant change in the financial performance or financial position of the Covered Bond Guarantor or the Trust.

Since the last day of the financial period in respect of which the most recent audited financial statements of the Trust (including the auditor's report and the notes thereto) have been published, there has been no material adverse change in the prospects of the Covered Bond Guarantor or the Trust.

Litigation

Except as disclosed in this Prospectus in the risk factor entitled "The Group may be adversely affected by substantial legal liability or regulatory action" on page 50, there are no governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened) of which the Issuer is aware in the 12 months immediately preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Issuer and its subsidiaries, taken as a whole.

There are no governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened) of which the Covered Bond Guarantor is aware in the 12 months immediately preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Covered Bond Guarantor or the Trust.

Independent Auditors

The Issuer's consolidated financial statements for the financial years ended 30 June 2024 and 30 June 2025 were audited, without qualification, by PricewaterhouseCoopers, Chartered Accountants, of One International Towers Sydney, Watermans Quay, Barangaroo NSW 2001, Australia. The auditors of the Issuer have no material interest in the Issuer.

Audited financial statements of the Trust

The financial report, and the notes thereto, in respect of the audited financial statements of the Trust have been prepared to assist the Trust to meet the requirement of the Establishment Deed and are intended solely for investors in the Covered Bonds and should not be used by parties other than the investors in the Covered Bonds.

Emphasis of Matter

Please refer to the section titled "*Emphasis of matter – basis of accounting and restriction on use*" on page 23 of the financial statements of the Trust in respect of the year ended 30 June 2024 and on page 24 of the financial statements of the Trust in respect of the year ended 30 June 2025, each as incorporated by reference into this Prospectus.

The emphasis of matter paragraph contained in the financial statements of the Trust in respect of the year ended 30 June 2024 reads as follows:

"We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the directors of the Manager (the directors) to meet the requirements of the Establishment Deed dated 13 November 2011. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for CBA Covered Bond Trust and its unitholders and should not be used by parties other than CBA Covered Bond Trust and its unitholders. Our opinion is not modified in respect of this matter."

The emphasis of matter paragraph contained in the financial statements of the Trust in respect of the year ended 30 June 2025 reads as follows:

"We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the directors of the Manager (the directors) to meet the requirements of the Establishment Deed dated 13 November 2011. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for CBA Covered Bond Trust and its unitholders and should not be used by parties other than CBA Covered Bond Trust and its unitholders. Our opinion is not modified in respect of this matter."

Reports

The Bond Trust Deed provides that the Bond Trustee may rely on the advice, report, certificate or opinion of or any information obtained from any auditor, lawyer, valuer, accountant, surveyor, banker, professional adviser, broker, financial adviser, auctioneer or other expert in accordance with the provisions of the Bond Trust Deed, whether or not addressed to the Bond Trustee notwithstanding that such advice, report, certificate, opinion, information, or any engagement letter or any other document entered into by the Bond Trustee and the relevant person in connection therewith, contains any monetary or other limit on the liability of the relevant person and the Bond Trustee will not be responsible for any Liability occasioned by so acting or relying.

The Trust Manager will prepare monthly Asset Coverage Reports detailing, among other things, compliance with the Asset Coverage Test. Copies of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) for each Series (including in relation to unlisted Covered Bonds of any Series) and the Asset Coverage Reports are available to Covered Bondholders during normal business hours at the registered office of the Issuer.

Contracts

Other than as disclosed in the documents incorporated into this Prospectus by reference, the Issuer is not aware of any material contracts having been entered into outside the ordinary course of the Issuer's business, and which could result in any member of the Group being under an obligation or entitlement that is material to its ability to meet its obligation to Covered Bondholders in respect of the Covered Bonds that may be issued.

The Issuer is not aware of any material contracts having been entered into by the Covered Bond Guarantor other than the Programme Documents and which could result in it being under an obligation or entitlement that is material to its ability to meet its obligation to Covered Bondholders in respect of the Covered Bonds that may be issued.

Post-issuance information

Except as set out in the monthly Asset Coverage Reports and in the Final Terms (or, in the case of Exempt Covered Bonds, the Pricing Supplement) relating to a particular Series of Covered Bonds, the Issuer does not intend to provide any post-issuance information in relation to any issue of Covered Bonds.

Dealers transacting with the Issuer

Certain of the Dealers and their respective 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. Certain of the Dealers and their respective affiliates may have positions, deal or make markets in the Covered Bonds issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their 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. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their respective affiliates that 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 respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Covered Bonds issued under the Programme. Any such positions could adversely affect future trading prices of Covered Bonds issued under the Programme. The Dealers and their respective 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.

GLOSSARY

A$ Record Date has the meaning given to that term in clause 3.4(j) of the Bond Trust Deed.

A$ Register means the register of holders of the A$ Registered Covered Bonds maintained by the A$ Registrar.

A$ Registered Covered Bonds means covered bonds denominated in A$ issued in registered form by entry in the A$ Register maintained by the A$ Registrar.

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

A$ Registry Agreement means the agreement entered into on or about the Programme Date, between the Issuer, the A$ Registrar, the Bond Trustee and the Covered Bond Guarantor.

ABS means the Australian Bureau of Statistics.

Account Bank means the Bank in its capacity as Account Bank pursuant to the Account Bank Agreement or such other account bank appointed pursuant to the Account Bank Agreement from time to time.

Account Bank Agreement means the account bank agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Trust Manager, the Account Bank and the Security Trustee, as amended and restated on 26 February 2015.

Account Bank Mandates has the meaning given to it in clause 2.1(b) of the Account Bank Agreement.

Accrued Interest Adjustment in relation to a Mortgage Loan means the amount of interest accrued on that Mortgage Loan for, and any fees in relation to that Mortgage Loan falling due for payment during, the period commencing on (and including) the Mortgage Loan Scheduled Payment Date for that Mortgage Loan immediately prior to the Cut-Off Date and ending on (but excluding) the Closing Date and any accrued interest and fees due but unpaid in relation to that Mortgage Loan prior to that Mortgage Loan Scheduled Payment Date.

Acquisition Demand Loan Advance means a Demand Loan Advance requested by the Trust Manager in accordance with clause 5.1 of the Demand Loan Agreement to fund the Consideration for the Mortgage Loan Rights to be acquired in accordance with the Mortgage Sale Agreement.

Acting Servicer has the meaning given to it in clause 15.7 of the Servicing Deed.

Acting Trust Manager has the meaning given to it in clause 10.6(b) of the Management Agreement.

Additional Business Centre means, in relation to a Series of Covered Bonds, the Additional Business Centre as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Adjusted Aggregate Mortgage Loan Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Adjusted Required Redemption Amount has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Right of pre-emption*" in this Prospectus.

AFSL means an Australian Financial Services Licence.

Agency Agreements means the Principal Agency Agreement, the Calculation Agency Agreement and/or the A$ Registry Agreement, as applicable, and each, an **Agency Agreement**.

Agents means the Paying Agents, each Transfer Agent, each Exchange Agent, each Registrar, the A$ Registrar, the U.S. Transfer Agent, the U.S. Registrar and the N Covered Bond Registrar and **Agent** means any one of them.

Agreed Procedures has the meaning given to it in clause 1.2 of the Cover Pool Monitor Agreement.

Agreement Date means the date of any agreement to issue any Covered Bonds between the Issuer and the relevant Dealer pursuant to the Programme Agreement or the U.S. Distribution Agreement, as applicable.

Alternative Clearing System means a clearing system other than Austraclear, Euroclear or Clearstream, Luxembourg, specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) or as may otherwise be approved by the Issuer, the Bond Trustee and (other than in respect of any A$ Registered Covered Bonds) the Principal Paying Agent.

AML/CTF Laws has the meaning given to it in clause 31.15 of the Establishment Deed.

Amortisation Test has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*" in this Prospectus.

Amortisation Test Aggregate Mortgage Loan Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*" in this Prospectus.

Amortisation Test Current Principal Balance has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Amortisation Test*" in this Prospectus.

Amortised Face Amount has the meaning given to it in Condition 5.7(b) and/or in the case of an N Covered Bond, the meaning given to it in the relevant N Covered Bond Conditions (if applicable).

Annual Accounting Date means in respect of the Trust:

(a) 30 June in each year; or

(b) if the Covered Bond Guarantor has adopted a substituted accounting period for income tax purposes ending on a different date, that different date,

or such other date as the Covered Bond Guarantor (acting on the directions of the Trust Manager) may determine.

applicable Final Terms means, in relation to a Series or Tranche of Covered Bonds (other than Exempt Covered Bonds), the Final Terms (or the relevant provisions) attached to or endorsed on the Covered Bonds comprising that Series or Tranche.

applicable Pricing Supplement means, in relation to a Series or Tranche of Exempt Covered Bonds, the Pricing Supplement (or the relevant provisions) attached to or endorsed on the Covered Bonds comprising that Series or Tranche.

APRA means the Australian Prudential Regulation Authority.

Arranger has the meaning given to it in the section "*Programme Overview – The Parties*" in this Prospectus.

Asset Coverage Reports means the monthly reports in the form agreed from time to time between the parties to the Management Agreement and each, an **Asset Coverage Report**.

Asset Coverage Test has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Asset Coverage Test Breach Notice means the notice required to be served by the Bond Trustee on the Covered Bond Guarantor pursuant to the Establishment Deed indicating that the Asset Coverage Test has not been satisfied on two consecutive Determination Dates.

Asset Percentage has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Assets in relation to the Trust means all assets and property, real and personal (including choses in action and other rights), tangible and intangible, present or future, held by the Covered Bond Guarantor as trustee of the Trust from time to time, including but not limited to:

(a) the Mortgage Loan Rights;

(b) Authorised Investments;

(c) Substitution Assets;

(d) the rights of the Covered Bond Guarantor in, to and under the Programme Documents and the Trust Accounts;

(e) the proceeds of realisation or sale of any Assets of the Trust;

(f) all additions or accretions (if any) to the Trust which arise by way of dividend, interest, premium or distribution, or which are otherwise received and are for the time being retained by the Covered Bond Guarantor in respect of the Trust;

(g) all income from the Trust held pending distribution or reinvestment;

(h) the benefit of all representations, warranties, undertakings, covenants, indemnities, promises and choses in action in favour of the Covered Bond Guarantor under the Programme Documents; and

(i) amounts derived or accrued from any of the assets referred to in the preceding paragraphs of this definition.

ASIC means the Australian Securities and Investments Commission.

Assessment Date has the meaning given to it in the section "*Overview of the Principal Documents – Cover Pool Monitor Agreement*" in this Prospectus.

ASX means the Australian Securities Exchange.

ATO means the Australian Taxation Office.

Auditors means the auditors for the time being of the Issuer or, as the case may be, the Trust (or any replacement auditor of the Trust appointed in accordance with the Establishment Deed and each, an **Auditor**.

AUSTRAC means the Australian Transaction Reports and Analysis Centre.

Australian Banking Act means the Banking Act 1959 (Cth).

Australian Bureau of Statistics Index means the quarterly index of increases or decreases in established house prices (determined on the basis of the weighted average of house prices in 8 capital cities), issued by the Australian Bureau of Statistics, Australia's official statistical organisation, in relation to established house prices in Australia or, if this index is unavailable, a suitably widely recognised property price index selected by the Trust Manager (in its sole discretion).

Australian Bureau of Statistics Indexed Valuation means on any day in relation to any Land, the Latest Valuation of that Land as increased or decreased as appropriate by the increase or decrease in the Australian Bureau of Statistics Index since the date of that Latest Valuation.

Australian Corporations Act means the Corporations Act 2001 (Cth).

Australian Corporations Regulations means the Corporations Regulations 2001 (Cth).

Australian Credit Licence has the meaning given to it in the NCCP.

Australian Dollar Equivalent means in relation to an amount which is denominated in:

(a) a currency other than Australian Dollars, the Australian Dollar equivalent of such amount ascertained using the relevant Swap Rate; and

(b) Australian Dollars, the applicable amount in Australian Dollars.

Australian Financial Services Licence has the meaning given to it in section 9 of the Australian Corporations Act.

Australian Reserve Bank Act means the Reserve Bank Act 1959 (Cth).

Authorised Investments means Australian Dollar demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper) (which may include deposits into any account which earns a rate

of interest related to the Bank Bill Rate) provided that in all cases such investments have a maturity date of 30 days or less and mature on or before the next following Distribution Date and the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being a bank) are rated at least P-1 by Moody's and A or F1 by Fitch (or, if Fitch has placed the relevant entity on ratings watch negative at the relevant time, below A+ or F1+ by Fitch) or which are otherwise acceptable to the Rating Agencies (if they are notified in advance) to maintain the then current rating of the Covered Bonds.

Authorised Officer in relation to a Transaction Party, means an officer of the Transaction Party, or such other person appointed by the Transaction Party to act as its authorised officer and notified to the other Transaction Parties.

Available Income Amount means on a Determination Date, an amount equal to the aggregate of:

(a) the Finance Charge Collections in respect of the immediately preceding Collection Period;

(b) all amounts received by the Covered Bond Guarantor pursuant to any Mortgage Insurance Policy in relation to any Mortgage Loan then forming part of the Assets of the Trust which the Trust Manager determines should be accounted for on that Determination Date in respect of an income loss;

(c) in respect of any sale of Mortgage Loans during the immediately preceding Collection Period pursuant to the terms of the Establishment Deed or the Mortgage Sale Agreement:

  (i) the proceeds of such sale to the extent the proceeds comprise accrued interest or arrears of interest (if any) that has been, or is to be, on the immediately following Distribution Date credited to the Income Ledger on the GIC Account; and

  (ii) that are repurchased by the Seller in accordance with the Mortgage Sale Agreement, interest on the related amount that will be paid by the Seller on the immediately following Distribution Date as detailed in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Repurchase by the Seller following breach of Representations and Warranties*" in this Prospectus.

(d) all amounts of interest received on the Trust Accounts (other than the OC Account), the Substitution Assets and Authorised Investments during the immediately preceding Collection Period and the amount to be paid to the Covered Bond Guarantor in accordance with the Servicing Deed on the immediately following Distribution Date;

(e) all amounts receivable from the Interest Rate Swap Provider under the Interest Rate Swap on the immediately following Distribution Date;

(f) prior to the service on the Covered Bond Guarantor of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund as at the Determination Date in excess of the Reserve Fund Required Amount;

(g) following the service on the Covered Bond Guarantor of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund as at the Determination Date; and

(h) any other income receipts not referred to in paragraphs (a) to (g) above (inclusive) received during any previous Collection Period and standing to the credit of the Income Ledger on the GIC Account, but excluding, subject to the Establishment Deed, any amount receivable by the Covered Bond Guarantor under the Covered Bond Swap Agreements,

but excluding:

(i) Third Party Amounts, which will be applied in accordance with the Servicing Deed;

(ii) Swap Collateral Excluded Amounts, which will be applied in accordance with the terms of the relevant Swap Agreements; and

(iii) amounts standing to the credit of the OC Account.

Available Principal Amount means on a Determination Date, an amount equal to the aggregate of (without double counting):

(a) the Principal Collections in respect of the immediately preceding Collection Period less any Principal Collections applied towards the reimbursement of Trust Further Advances during the immediately preceding Collection Period in accordance with the Servicing Deed;

(b) the proceeds from any sale of Mortgage Loans during the immediately preceding Collection Period pursuant to the terms of the Establishment Deed or the Mortgage Sale Agreement (but not including any such proceeds that comprise accrued interest or arrears of interest) that have been, or are to be, on the immediately following Distribution Date, credited to the Principal Ledger on the GIC Account;

(c) the proceeds of any Demand Loan Advance (where such proceeds have not been applied to acquire Mortgage Loan Rights from the Seller to invest in Substitution Assets or Authorised Investments or to be credited to the OC Account) and any Excess Proceeds;

(d) any amounts transferred from the OC Account to the GIC Account in accordance with the Establishment Deed since the last Distribution Date;

(e) the amount of any termination payment received from a Swap Provider which is not applied to acquire a replacement Swap for the relevant terminated Swap and the amount of any premium received from a replacement Swap Provider which is not applied to make a termination payment to a Swap Provider;

(f) any amounts standing to the credit of the Pre-Maturity Ledger that are permitted to be applied in accordance with the Establishment Deed; and

(g) any other principal receipts not referred to in paragraphs (a) to (f) above (inclusive) received during any previous Collection Period and standing to the credit of the Principal Ledger on the GIC Account, but excluding, subject to the Establishment Deed, any amount of principal received by the Covered Bond Guarantor under the Swap Agreements,

but excluding:

(i) Swap Collateral Excluded Amounts, which must be applied in accordance with the terms of the relevant Swap Agreements; and

(ii) amounts standing to the credit of the OC Account.

Bank means Commonwealth Bank of Australia ABN 48 123 123 124.

Bank Bill Rate in relation to a specified term means the rate expressed as a percentage per annum determined by the Australian Financial Markets Association (**AFMA**) and published at approximately 10.30am Sydney time on the first day of that specified term on the Thompson Reuters Screen page "BBSW" having a tenor equal to that specified term. If the relevant rate is not published on the Thompson Reuters screen page at that time, then the Bank Bill Rate means the rate expressed as a percentage per annum determined by AFMA and published at approximately 10.30am Sydney time on that day on the Bloomberg LLP screen page "AFMB" having a tenor equal to that specified term. If a rate cannot be determined in accordance with the foregoing procedures, then the **Bank Bill Rate** means such rate as is specified by the Trust Manager at or around that time on that day, having regard to comparable indices then available.

BBSW Rate has the meaning given to it in Condition 4.2(k)(4) of the Programme Conditions.

Bearer Covered Bonds means Covered Bonds in bearer form.

Bearer Definitive Covered Bonds has the meaning given to it in the Programme Conditions.

Bearer Global Covered Bonds means the Temporary Bearer Global Covered Bond and the Permanent Bearer Global Covered Bond, and **Bearer Global Covered Bond** means either one of them.

Binding Provision means any provision of the Code of Banking Practice 2004 any other code or agreement binding on the Seller or the Servicer and any laws applicable to banks or other lenders in the business of making retail home loans.

Bond Trust Deed means the trust deed entered into on or about the Programme Date between the Issuer, the Trust Manager, the Covered Bond Guarantor and the Bond Trustee, as amended and restated on 27 June 2012, as further amended and restated on 16 November 2012, as further amended and restated on 15 November 2013, as further amended and restated on 14 November 2014, as further amended and restated on 4 December 2015, as further amended and restated on 21 November 2017, as further amended and restated on 3 December 2018, as further amended and restated on 13 December 2019, as further amended and restated on 27 August 2020, as further amended and restated on 9 July 2021, as further amended and restated on 20 July 2022, as further amended and restated on 20 July 2023, as further amended and restated on 22 July 2024, as further amended and restated on 22 July 2025 and as further amended and restated on 20 July 2026 as otherwise amended, restated, supplemented, replaced or novated from time to time.

Bond Trustee means Deutsche Trustee Company Limited, in its capacity as bond trustee under the Bond Trust Deed together with any additional or replacement bond trustee appointed from time to time in accordance with the terms of the Bond Trust Deed.

Borrower in relation to a Mortgage Loan, means the person or persons to whom a loan or other financial accommodation has been provided under that Mortgage Loan and includes, where the context requires, the mortgagor under the corresponding Mortgage.

Break Costs in relation to a Determination Date means the total break costs, or amounts in respect of break costs, received by or on behalf of the Covered Bond Guarantor during the Collection Period ending on that Determination Date from a Borrower, the insurer under a Mortgage Insurance Policy or any other person in relation to a Mortgage Loan forming part of the Assets of the Trust (or was immediately prior to its being written off by the Servicer in accordance with the Servicing Guidelines or the date that it was assigned under a Mortgage Insurance Policy, an Asset of the Trust) arising from the early termination of that Mortgage Loan or the early termination of a fixed interest rate period under that Mortgage Loan.

Business Day has the meaning given to it in Condition 4.3 of the Programme Conditions and/or, in the case of an N Covered Bond, the meaning given to it in Condition 3 of the relevant N Covered Bond Conditions (as applicable).

Calculation Agency Agreement means an agreement in substantially the form set out in schedule 1 to the Principal Agency Agreement between the Issuer, the Covered Bond Guarantor, the Bond Trustee and a Calculation Agent.

Calculation Agent means in relation to all or any Series of the Covered Bonds, the person initially appointed as calculation agent in relation to such Covered Bonds by the Issuer and the Covered Bond Guarantor pursuant to the relevant Agency Agreement or such other person specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) or, if applicable, any successor or separately appointed calculation agent in relation to all or any Series of the Covered Bonds.

Calculation Management Services has the meaning given to it in the section "*Overview of the Principal Documents – Management Agreement*" in this Prospectus.

Capital Unit means a Unit in the Trust which is designated as a "Capital Unit" in the Unit Register.

Capital Unitholder means a person registered as the holder of a Capital Unit in the Trust in the Unit Register.

Cash Management Services has the meaning given to it in the section "*Overview of the Principal Documents – Management Agreement*" in this Prospectus.

CBA Trust means the trust constituted in favour of the Seller in accordance with the Mortgage Sale Agreement.

Certificate of Title in relation to a Mortgaged Property means the certificate of title or other documents evidencing title to that Mortgaged Property (including, if applicable, the documents forming any abstract of that title) or where the certificate of title or other documents have been cancelled due to the computerisation of the register, any original registration confirmation, notification or statement which the Seller has in its files.

Charge means the charge created pursuant to the Security Deed.

Charged Property means all the Assets of Trust acquired by, or accruing to, the Covered Bond Guarantor as trustee of the Trust after the date of first execution of the Security Deed.

Clearstream, Luxembourg has the meaning given to it in Condition 1 of the Programme Conditions.

Closing Date means the date specified by the Seller to the Covered Bond Guarantor and the Trust Manager in a Sale Notice (if any) to be the Closing Date (or such other date as the Trust Manager may notify the Covered Bond Guarantor and the Seller in accordance with that Sale Notice).

Code means the U.S. Internal Revenue Code of 1986, as amended.

Collateral Security means in respect of a Mortgage Loan:

(a) any:

(i) Security Interest; or

(ii) guarantee, indemnity or other assurance,

which secures or otherwise provides for the repayment or payment of that Mortgage Loan but does not include the Mortgage relating to that Mortgage Loan; or

(b) any Mortgage Insurance Policy or Insurance Policy in respect of the Mortgage relating to the Mortgage Loan or the Land secured by the Mortgage relating to that Mortgage Loan.

Collections means Finance Charge Collections and Principal Collections.

Collection Period means:

(a) with respect to the first Determination Date, the period commencing on (and including) the first Closing Date and ending on the last day of the calendar month in which the first Closing Date occurs; and

(b) with respect to each subsequent Determination Date, the calendar month immediately preceding that Determination Date.

Companies Act means the Companies Act 2006 (UK) (and any regulations made pursuant to that Act).

Competent Authorities means a court, tribunal, authority, ombudsman or other entity whose decisions, findings, orders, judgment or determinations (howsoever reached) are binding on the Seller or the Servicer and each, a **Competent Authority.**

Conditions means the Programme Conditions and the N Covered Bond Conditions, as applicable.

Consideration means the aggregate Current Principal Balance of the Mortgage Loans assigned to the Covered Bond Guarantor as at the relevant Cut-Off Date.

Consumer Credit Code means the Consumer Credit Code set out in the Appendix to the Consumer Credit (Queensland) Act 1994 as in force or applied as a law of any Australian jurisdiction.

Couponholders has the meaning given to it in the Programme Conditions.

Coupons has the meaning given to it in the Programme Conditions.

Cover Pool Monitor means PricewaterhouseCoopers or such replacement Cover Pool Monitor appointed from time to time in accordance with the terms of the Cover Pool Monitor Agreement.

Cover Pool Monitor Agreement means the Cover Pool Monitor Agreement entered into on or about the Programme Date, between the Cover Pool Monitor, the Covered Bond Guarantor, the Trust Manager, the Calculation Manager, the Seller, the Issuer, the Bond Trustee and the Security Trustee.

Cover Pool Monitor Report means the results of the agreed upon procedures conducted by the Cover Pool Monitor in accordance with the Cover Pool Monitor Agreement substantially in such form as may be agreed between the Issuer and the Cover Pool Monitor from time to time.

Covered Bond Guarantee means the unconditional and irrevocable guarantee by the Covered Bond Guarantor in the Bond Trust Deed for the payment of an amount equal to the Guaranteed Amounts in respect of the Covered Bonds when the same will become Due for Payment.

Covered Bond Guarantee Acceleration Notice has the meaning given to it in Condition 9.2 of the Programme Conditions.

Covered Bond Guarantor means Perpetual Corporate Trust Limited ABN 99 000 341 533, solely in its capacity as trustee of the Trust and any replacement trustee appointed from time to time in accordance with the terms of the Bond Trust Deed.

Covered Bond Guarantor Event of Default has the meaning given to it in Condition 9.2 of the Programme Conditions.

Covered Bond Guarantor Termination Event means each of the following events, upon the occurrence of which the Covered Bond Guarantor must retire as trustee of the Trust in accordance with the Establishment Deed:

(a) having been required to do so by the Trust Manager by notice in writing, the Covered Bond Guarantor fails or neglects within 20 Business Days (or such longer period as the Trust Manager may agree to) after receipt of such notice to carry out or satisfy any material duty or obligation imposed on the Covered Bond Guarantor by any Programme Document;

(b) an Insolvency Event occurs with respect to the Covered Bond Guarantor in its personal capacity;

(c) the Covered Bond Guarantor ceases to carry on business;

(d) the Covered Bond Guarantor merges or consolidates into another entity, unless approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the commercial reputation and standing of the surviving entity will not be less than that of the Covered Bond Guarantor prior to such merger or consolidation, and unless the surviving entity assumes the obligations of the Covered Bond Guarantor under the Programme Documents;

(e) there is a change in the ownership of 50% or more of the issued equity share capital of the Covered Bond Guarantor from the position as at the date of this document, or effective control of the Covered Bond Guarantor alters from the position as at the Programme Date, unless in either case approved by the Trust Manager, which approval will not be withheld if, in the Trust Manager's reasonable opinion, the change in ownership or control of the Covered Bond Guarantor will not result in a lessening of the commercial reputation and standing of the Covered Bond Guarantor; or

(f) (i) an Extraordinary Resolution requiring the removal of the Covered Bond Guarantor as trustee of the Trust is passed at a meeting of Covered Bondholders of all Series taken together as a single Series with the nominal amount of Covered Bonds not denominated in Australian Dollars converted into Australian Dollars at the relevant Swap Rate; and

(ii) such retirement is approved in writing by each Secured Creditor (such approval not to be unreasonably withheld or delayed).

Covered Bond Swap means each currency swap and/or interest rate transaction entered into with respect to a Series or Tranche of Covered Bonds as evidenced by a confirmation that supplements, forms part of and is subject to, a Covered Bond Swap Master Agreement (and, for the avoidance of doubt, does not include the Interest Rate Swap).

Covered Bond Swap Agreement means a Covered Bond Swap Master Agreement together with one or more confirmations thereunder, each evidencing a Covered Bond Swap.

Covered Bond Swap Master Agreement means a Swap Master Agreement entered into between the Covered Bond Guarantor, the Trust Manager, the Security Trustee and a Covered Bond Swap Provider, governing one or more Covered Bond Swaps.

Covered Bond Swap Provider means, in relation to a Covered Bond Swap, the entity appointed as covered bond swap provider from time to time under the relevant Covered Bond Swap Agreement together with any transferee, successor thereto or replacement Covered Bond Swap Provider.

Covered Bondholders has the meaning given to it in the Programme Conditions and includes, for the avoidance of doubt, the N Covered Bondholders.

Covered Bonds means the covered bonds issued or to be issued pursuant to the Programme Agreement and the U.S. Distribution Agreement and which are or are to be constituted under the Bond Trust Deed (including any A$ Registered Covered Bonds and each N Covered Bond provided that the relevant N Covered Bondholder has entered into and delivered to the Issuer the related N Covered Bond Confirmation or agreed to be bound by the terms of the related N Covered Bond Confirmation by way of an N Covered Bond Assignment Agreement), which may be represented by a Global Covered Bond or any Definitive Covered Bond and includes any replacements of a Covered Bond issued pursuant to Condition 11 of the Programme Conditions or Condition 10 of the N Covered Bond Conditions (as applicable) and each, a **Covered Bond**.

CRA Regulation means Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 (as amended).

Current Principal Balance means in relation to any Mortgage Loan forming part of the Assets of the Trust as at any given date, the principal balance of that Mortgage Loan to which the Seller applies the relevant interest rate to and at which interest on that Mortgage Loan accrues interest, and is the aggregate (but avoiding double counting) of:

(a) the original principal amount advanced to the relevant Borrower and any further amount advanced on or before any given date to the relevant Borrower under that Mortgage Loan secured or intended to be secured by the Collateral Security;

(b) the amount of any Further Advances secured or purported to be secured by the Collateral Security; and

(c) any interest or expenses that have been capitalised,

less any repayment or payment of any of the foregoing made on or before the end of the Local Business Day immediately preceding that given date.

Cut-Off Date means the date specified by the Seller as such in a Sale Notice (or such other date as the Trust Manager may notify the Covered Bond Guarantor and the Seller in accordance with that Sale Notice)

Dealer and **Dealers** have the meanings given to them in the Programme Agreement and the U.S. Distribution Agreement.

Deed of Accession means any deed of accession entered into between the Covered Bond Guarantor, a New Secured Creditor, and Security Trustee (on behalf of all Secured Creditors) substantially in the form set out in schedule 1 to the Security Deed.

Defaulted Mortgage Loan means a Mortgage Loan in respect of which:

(a) the Borrower (as recognised by the Servicer's system) fails to pay on the due date any amount due pursuant to the corresponding Loan Agreement (including any amount not previously paid which remains outstanding) and the failure continues, without remedy, for a period of 90 days from the due date for the payment of such amount under the relevant Loan Agreement; or

(b) an event of default, howsoever described, (other than an event of default referred to in paragraph (a)) occurs under any relevant Mortgage Document where the event of default continues unremedied for 90 days (or such shorter period as the Servicer may determine is appropriate in relation to a specific event of default) unless the Servicer reasonably determines that such event of default is of a minor or technical nature.

Definitions Schedule has the meaning given to it in the Conditions.

Definitive Covered Bond means a Bearer Definitive Covered Bond and/or, as the context may require, a Regulation S Definitive Covered Bond.

Demand Loan means the aggregate principal amount of each Demand Loan Advance, as reduced by repayment under the Demand Loan Agreement.

Demand Loan Advances means advances made or to be made by the Demand Loan Provider to the Covered Bond Guarantor under the Demand Loan Facility, and each a **Demand Loan Advance**.

Demand Loan Agreement means the demand loan agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Trust Manager, the Demand Loan Provider, the Seller, the Issuer and the Security Trustee as amended and restated on 16 November 2012, and as otherwise amended, restated, supplemented, replaced or novated from time to time.

Demand Loan Drawdown Request means a request substantially in the form of schedule 1 to the Demand Loan Agreement.

Demand Loan Facility means an Australian Dollar revolving credit facility under which the Demand Loan Provider may make Demand Loan Advances to the Covered Bond Guarantor in accordance with the Demand Loan Agreement.

Demand Loan Provider means the Bank.

Demand Loan Repayment Date has the meaning given to it in the section "*Overview of the Principal Documents – Demand Loan Agreement – Repayment following a demand by the Demand Loan Provider*" in this Prospectus.

Determination Date means the first day of each calendar month following the first Closing Date or, if any such day is not a Local Business Day, the following Local Business Day.

Distribution Compliance Period means the period that ends 40 days after the later of the commencement of the offering and the Issue Date.

Distribution Date means:

(a) the 20th day of each calendar month (or if such a day is not a Local Business Day, the next Local Business Day), provided that, the first Distribution Date will be the 20th day of the calendar month in which the first Determination Date occurs (or if that day is not a Local Business Day, the next Local Business Day); and

(b) the Vesting Date.

Due for Payment means the requirement by the Covered Bond Guarantor to pay any Guaranteed Amount following the delivery of a Notice to Pay on the Covered Bond Guarantor:

(a) prior to the occurrence of a Covered Bond Guarantor Event of Default and the service of a Covered Bond Guarantee Acceleration Notice on the, Issuer and the Covered Bond Guarantor (copied to the Trust Manager):

  (i) (except where paragraph (ii) below applies) the Original Due for Payment Date; and

  (ii) in relation to any Guaranteed Amounts in respect of the Final Redemption Amount payable on the Final Maturity Date for a Series of Covered Bonds only, the Extended Due for Payment Date, but only (x) if in respect of the relevant Series of Covered Bonds the Covered Bond Guarantee is subject to an Extended Due for Payment Date pursuant to the terms of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) and (y) to the extent that the Covered Bond Guarantor having received a Notice to Pay no later than the date falling one Business Day prior to the Extension Determination Date does not pay Guaranteed Amounts equal to the Final Redemption Amount in respect of such Series of Covered Bonds by the Extension Determination Date, as the Covered Bond Guarantor has insufficient moneys available under the Guarantee Priority of Payments to pay such Guaranteed Amounts in full on the earlier of (A) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Final Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9.2(a) of the Programme Conditions) under the terms of the Covered Bond Guarantee or (B) the Extension Determination Date,

or if, in either case, such day is not a Business Day, the next following Business Day. For the avoidance of doubt, Due for Payment does not refer to any earlier date upon which payment of any Guaranteed Amounts may become due under the guaranteed obligations, by reason of prepayment, acceleration of maturity, mandatory or optional redemption or otherwise; or

(b) following the occurrence of a Covered Bond Guarantor Event of Default, the date on which a Covered Bond Guarantee Acceleration Notice is served on the Issuer and the Covered Bond Guarantor (copied to the Trust Manager).

Earliest Maturing Covered Bonds means at any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the GIC Account) that has or have the earliest Final Maturity Date as specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) (in each case, ignoring any acceleration of amounts due under the Covered Bonds prior to the occurrence of a Covered Bond Guarantor Event of Default).

Early Redemption Amount means, in relation to a Series of Covered Bonds, the early redemption amount determined in accordance with Condition 5.8 of the Programme Conditions and/or, in the case of an N Covered Bond, the meaning given in the relevant N Covered Bond Conditions (if applicable).

Eligible Mortgage Loan means, on any day, a Mortgage Loan which on that day satisfies the criteria set out in section "*Overview of the Principal Documents – Mortgage Sale Agreement – Eligible Mortgage Loans*" in this Prospectus.

Establishment Deed means the deed entered into on or about the Programme Date, between the Covered Bond Guarantor, the Issuer, the Trust Manager, the Seller and the Servicer.

Euroclear has the meaning given to it in Condition 1 of the Programme Conditions.

EUWA means the European Union (Withdrawal) Act 2018, as amended.

Excess Proceeds means moneys received (following the occurrence of an Issuer Event of Default and delivery of an Issuer Acceleration Notice and a Notice to Pay) by the Bond Trustee from the Issuer or any administrator, receiver, manager, liquidator, controller, statutory manager or other similar official appointed in relation to the Issuer.

Exchange Act means the U.S. Securities Exchange Act of 1934, as amended.

Exchange Agent means Deutsche Bank AG, London Branch or any other person from time to time appointed to perform the role of exchange agent under the Principal Agency Agreement.

Exchange Date means on or after the date which is 40 days after a Temporary Bearer Global Covered Bond is issued.

Excluded Scheduled Interest Amounts and **Excluded Scheduled Principal Amounts** have the meanings given to them in the definitions of "Scheduled Interest" and "Scheduled Principal" respectively.

Excluded Swap Termination Amount means in relation to a Swap Agreement, an amount equal to the amount of any termination payment due and payable (a) to the relevant Swap Provider as a result of a Swap Provider Default with respect to such Swap Provider or (b) to the relevant Swap Provider following a Swap Provider Downgrade Event with respect to such Swap Provider.

Exempt Covered Bonds means Covered Bonds for which no prospectus is required to be published under the PRM.

Extended Due for Payment Date has the meaning given to it in Condition 5.1 of the Programme Conditions and/or, in the case of an N Covered Bond and if applicable, as set out in the relevant N Covered Bond Confirmation (incorporating the N Covered Bond Confirmation Terms).

Extension Determination Date has the meaning given to it in Condition 5.1 of the Programme Conditions and/or, in the case of an N Covered Bond and if applicable, as set out in the relevant N Covered Bond Confirmation (incorporating the N Covered Bond Confirmation Terms).

Extraordinary Resolution means a resolution of the Covered Bondholders passed as such under the terms of the Bond Trust Deed.

FATCA means sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

Final Maturity Date means, in relation to a Series of Covered Bonds, the Interest Payment Date specified as such in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) on which such Series of Covered Bonds is required to be redeemed in accordance with Condition 5 of the Programme Conditions and/or, in the case of an N Covered Bond, the N Covered Bond Conditions.

Final Redemption Amount means, in relation to a Series of Covered Bonds, the meaning given in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) and/or, in the case of an N Covered Bond, Condition 4.1 of the N Covered Bond Conditions.

Final Terms means the Final Terms prepared in relation to each Series or Tranche of Covered Bonds (other than Exempt Covered Bonds) issued under the Programme (substantially in the form set out in the Prospectus) and giving details of that Series or Tranche and, in relation to any particular Series or Tranche of Covered Bonds (other than Exempt Covered Bonds) and which, as appropriate, will constitute final terms for the purposes of the PRM.

Finance Charge Collections in relation to a Collection Period means the aggregate of the following amounts (without double counting) received by or on behalf of the Covered Bond Guarantor during that Collection Period in respect of the Mortgage Loans then forming part of the Assets of the Trust:

(a) all amounts received under or in respect of the Mortgage Loans (including Liquidation Proceeds) in respect of interest, fees, Government Charges or other amounts due under the Mortgage Loans (less reversals made during the period in respect of interest or other charges in relation to any of the accounts where the original debit entry (or part thereof) was in error) but excluding principal and any insurance premiums and related charges payable to the Seller; and

(b) all amounts of interest received under or in respect of the Mortgage Loans and the Mortgage Loan Rights to the extent that the obligations to pay such amounts are discharged by the exercise during that Collection Period of a right of set-off or right to combine accounts,

but does not include:

(i) any amounts recovered under a Mortgage Insurance Policy in respect of the Mortgage Loans then forming part of the Assets of the Trust; or

(ii) any other amounts referred to in paragraphs (c) to (h) of the definition of Available Income Amount.

Financial Reports has the same meaning given to the term "financial statements" in section 9 of the Australian Corporations Act.

Financial Year means a period of 12 months ending on and including the next following Annual Accounting Date, except for the first Financial Year which is the period beginning on the Programme Date and ending on 30 June 2012.

First Determination Date has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

First Layer of Collateral Securities in relation to a Mortgage Loan means:

(a) the Collateral Securities (other than any Mortgage Insurance Policy relating to that Mortgage Loan or any related Insurance Policies) from time to time appearing in the records of the Seller in relation to that Mortgage Loan to be intended as security for that Mortgage Loan;

(b) any Mortgage Insurance Policy relating to that Mortgage Loan; and

(c) any related Insurance Policies,

notwithstanding that by their terms the Collateral Securities (other than the Mortgage Insurance Policies or any Insurance Policies) may also secure other liabilities to the Seller.

Fitch means Fitch Australia Pty Ltd ABN 93 081 339 184 and includes any successor to its ratings business.

Fitch Specified Rating means a credit rating of short-term unsecured, unsubordinated and unguaranteed debt obligations of at least F1+ by Fitch.

Floating Rate has the meaning given to it in the Programme Conditions and/or, in the case of an N Covered Bond, the meaning set out in the relevant N Covered Bond Conditions (if applicable).

Floating Rate Payer Spread in relation to a Series or Tranche of Covered Bonds, has the meaning given to it in the applicable Covered Bond Swap Agreement entered into in respect of that Series or Tranche of Covered Bonds.

Forward Starting Covered Bond Swap has the meaning given to it in the section "*Overview of the Principal Documents – Swap Agreements – Covered Bond Swap Agreements*" in this Prospectus.

fraud of the Covered Bond Guarantor or the Security Trustee means the fraud of the Covered Bond Guarantor or the Security Trustee, as the case may be, and of its officers, employees, agents and any other person where the Covered Bond Guarantor or the Security Trustee is liable for the acts or omissions of such other person under the terms of the relevant Programme Document.

FSMA means the United Kingdom Financial Services and Markets Act 2000, as amended.

Further Advances means in relation to a Mortgage Loan forming part of the Assets of the Trust any advances of further money by the Seller to the relevant Borrower which is recorded as a debit to the account in respect of that Mortgage Loan in the Seller's records in accordance with the Mortgage Sale Agreement, and each a **Further Advance**.

GDP means gross domestic product.

GIC Account means the account in the name of the Covered Bond Guarantor held with the Account Bank and maintained subject to the terms of the Account Bank Agreement, the GIC Account Mandate and/or such additional or replacement account as may from time to time be in place pursuant to the terms of the Account Bank Agreement.

GIC Account Mandate means the resolutions, instructions and signature authorities relating to the GIC Account substantially in the form set out in schedule 1 to the Account Bank Agreement.

Global Covered Bond has the meaning given to it in the relevant Conditions.

Government Charge means any amount debited to the accounts established in the Servicer's records for the Mortgage Loans representing bank accounts debits tax or similar tax or duty imposed by any Governmental Agency.

Governmental Agency means the Federal Government of the Commonwealth of Australia, the Government of any State or Territory of the Commonwealth of Australia, the Government of any other country or political subdivision thereof and any minister, department, office, commission, instrumentality, agency, board, authority or organ of any of the foregoing or any delegate or person deriving authority from any of the foregoing.

Group means the Bank and its subsidiaries.

GST means the goods and services tax imposed pursuant to the GST Law.

GST Act means A New Tax System (Goods and Services Tax) Act 1999.

GST Law has the meaning given in the GST Act.

Guarantee Priority of Payments has the meaning given to it in Condition 5.1 of the Programme Conditions.

Guaranteed Amounts means:

(a) prior to the service of a Covered Bond Guarantee Acceleration Notice, with respect to any Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, the sum of Scheduled Interest and Scheduled Principal, in each case, payable on that Original Due for Payment Date or, if applicable, any Extended Due for Payment Date; or

(b) after service of a Covered Bond Guarantee Acceleration Notice, an amount equal to the relevant Early Redemption Amount as specified in the Programme Conditions and/or, in the case of an N Covered Bond, the relevant N Covered Bond Conditions (if applicable) or, if applicable, the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) plus all accrued and unpaid interest and any other amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever the same arose) and all amounts payable by the Covered Bond Guarantor under the Bond Trust Deed.

Hard Bullet Covered Bonds means a Series of Covered Bonds which is scheduled to be redeemed in full on the Final Maturity Date for such Covered Bonds and without any provision for scheduled redemption other than on the Final Maturity Date.

Higher Redemption Amount means the amount (if any) specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

IGA means an intergovernmental agreement between the United States and another jurisdiction to improve tax compliance and to implement FATCA.

In Specie Failure means a failure (as determined by the Demand Loan Provider) for any reason whatsoever by the Covered Bond Guarantor (acting on the directions of the Trust Manager) or the Security Trustee to distribute Mortgage Loan Rights to the Demand Loan Provider as an in specie distribution in satisfaction of the principal amount then due in respect of the Demand Loan.

In Specie Mortgage Loan Rights means any Mortgage Loan Rights identified by the Trust Manager for the purposes of an in specie distribution to the Demand Loan Provider in accordance with the applicable Priority of Payments.

Income Ledger means the ledger of such name maintained by the Trust Manager pursuant to the Management Agreement to record credits of certain items described in the definition of Available Income Amount and debits in accordance with the terms of the Establishment Deed.

Income Unit means the Unit in the Trust which is designated as the "Income Unit" in the Unit Register.

Income Unitholder means the person registered as the holder of the Income Unit in the Trust in the Unit Register.

Indexed Valuation means on any day in relation to any Land:

(a) where the Latest Valuation of that Land is equal to or greater than the Australian Bureau of Statistics Indexed Valuation as at that date, the Australian Bureau of Statistics Indexed Valuation; or

(b) where the Latest Valuation of that Land is less than the Australian Bureau of Statistics Indexed Valuation as at that date, the Latest Valuation plus 85% of the difference between the Latest Valuation and the Australian Bureau of Statistics Indexed Valuation.

Insolvency Event in relation to a person (for the purposes of this definition the **Relevant Entity**), means any of the following events:

(a) an order is made that the Relevant Entity be wound up;

(b) a liquidator, provisional liquidator, controller (as defined in the Australian Corporations Act) or administrator is appointed in respect of the Relevant Entity or a substantial portion of its assets whether or not under an order;

(c) except to reconstruct or amalgamate on terms reasonably approved by the Covered Bond Guarantor (or in the case of a reconstruction or amalgamation of the Covered Bond Guarantor, on terms reasonably

approved by the Trust Manager), the Relevant Entity enters into, or resolves to enter into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors;

(d) the Relevant Entity resolves to wind itself up, or otherwise dissolve itself, or gives notice of its intention to do so, except to reconstruct or amalgamate on terms reasonably approved by the Bond Trustee (or in the case of a reconstruction or amalgamation of the Bond Trustee, except on terms reasonably approved by the Manager) or is otherwise wound up or dissolved;

(e) the Relevant Entity is or states that it is insolvent;

(f) as a result of the operation of section 459F(1) of the Australian Corporations Act, the Relevant Entity is taken to have failed to comply with a statutory demand;

(g) the Relevant Entity takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation;

(h) any writ of execution, attachment, distress or similar process is made, levied or issued against or in relation to a substantial portion of the body corporate's assets and is not satisfied or withdrawn or contested in good faith by the body corporate within 21 days; or

(i) anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

Insurance Policies means any insurance policy (whether present or future) under which improvements on the Land the subject of a Mortgage or a Collateral Security are insured against destruction or damage by events which include fire.

Insurance Proceeds means the proceeds paid by an insurer pursuant to any Insurance Policy.

Intercompany Loan Agreement means the intercompany loan agreement dated on or about the Programme Date, between the Intercompany Loan Provider, the Covered Bond Guarantor, the Trust Manager, the Seller, the Issuer and the Security Trustee.

Intercompany Loan Drawdown Date means, in relation to a Term Advance, the date specified in the Intercompany Loan Drawdown Request for the making of the Term Advance, which must be a Local Business Day.

Intercompany Loan Drawdown Request means a request substantially in the form of schedule 2 to the Intercompany Loan Agreement.

Intercompany Loan Interest Payment Date means, in relation to a Term Advance, the date specified in the Term Advance Notice.

Intercompany Loan Provider means the Bank.

Interest Amount has the meaning given to it in Condition 4.1(b) of the Programme Conditions and/or, in the case of an N Covered Bond, the meaning set out in the relevant N Covered Bond Conditions (if applicable).

Interest Commencement Date in relation to a Series of Covered Bonds has the meaning given to it in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Interest Determination Date has the meaning given to it in Condition 4.2(p) of the Programme Conditions.

Interest Off-Set Account means any interest off-set account or deposit account maintained by a Borrower with the Bank under which interest that would otherwise be earned in respect of the account is off-set (to the extent thereof) against interest that would otherwise be payable on a Mortgage Loan provided by the Bank to the Borrower.

Interest Payment Date has the meaning given to it in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Interest Period has the meaning given to it in Condition 4.2(a) of the Programme Conditions and/or, in the case of an N Covered Bond, the meaning set out in the relevant N Covered Bond Conditions.

Interest Rate Shortfall has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Interest Rate Shortfall Test*" in this Prospectus.

Interest Rate Shortfall Test has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Interest Rate Shortfall Test*" in this Prospectus.

Interest Rate Swap means the interest rate swap transaction entered into on or about the Programme Date as evidenced by a confirmation that supplements, forms part of and is subject to, the Interest Rate Swap Master Agreement (and which, for the avoidance of doubt, is not a Covered Bond Swap).

Interest Rate Swap Agreement means the Interest Rate Swap Master Agreement together with the confirmations thereunder evidencing the Interest Rate Swap.

Interest Rate Swap Master Agreement means a Swap Master Agreement entered into on or about the Programme Date between the Covered Bond Guarantor, the Trust Manager, the Security Trustee and the Interest Rate Swap Provider, governing the Interest Rate Swaps.

Interest Rate Swap Provider means the Bank in its capacity as interest rate swap provider under the Interest Rate Swap together with any transferee, successor thereto or replacement Interest Rate Swap Provider.

ISDA means the International Swaps and Derivatives Association, Inc.

ISDA Definitions has the meaning given to it in Condition 4.2(f).

ISDA Master Agreement means the 2002 ISDA master agreement, as published by ISDA.

Issue Date means, in relation to any Series or Tranche, the date on which such Series or Tranche has been issued or, if not yet issued, the date agreed between the Issuer and the Relevant Dealer or the Lead Manager, as the case may be, for the issue of such Series or Tranche. For the avoidance of doubt, an Issue Date will only occur on a Business Day.

Issue Price means, in relation to a Series or Tranche (as applicable) of Covered Bonds, the price, generally expressed as a percentage of the nominal amount of the Covered Bonds, at which the Covered Bonds will be issued and which is specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Issuer means the Bank.

Issuer Acceleration Notice has the meaning given to it in Condition 9.1 of the Programme Conditions.

Issuer Event of Default has the meaning given to it in Condition 9.1 of the Programme Conditions.

Land means:

(a) land (including tenements and hereditaments corporeal and incorporeal and every estate and interest in it whether vested or contingent, freehold or Crown leasehold, the term of which lease is expressed to expire not earlier than five years after the maturity of the relevant Mortgage, and whether at law or in equity) wherever situated and including any fixtures to land; and

(b) any parcel and any lot, common property and land comprising a parcel within the meaning of the Strata Schemes (Freehold Development) Act 1973 (NSW) or the Community Land Development Act 1989 (NSW) or any equivalent legislation in any other Australian jurisdiction.

Latest Valuation means, in relation to Land, the value given to the Land by the most recent valuation report obtained in accordance with the Servicing Guidelines and held on the applicable Loan Files or the purchase price of the Land (if there is no valuation report).

Lead Manager means, in relation to any Series or Tranche of Covered Bonds, (i) the person named as the Lead Manager or (ii) the person named as Joint Lead Managers (each a **Lead Manager**), in each case in the applicable Subscription Agreement.

Ledger means each of the following:

(a) the Principal Ledger;

(b) the Income Ledger;

(c) the Pre-Maturity Ledger; and

(d) the Reserve Ledger,

and references to **Ledgers** will be any two or more of such ledgers.

Legislated Asset Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus.

Legislated Collateralisation Test has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus.

Legislated Mortgage Loan Balance Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Legislated Collateralisation Test*" in this Prospectus.

Liabilities means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities whatsoever including properly incurred legal fees and penalties incurred by that person, and **Liability** will be construed accordingly.

Liquidation Proceeds in relation to a Mortgage Loan means the amount received by or on behalf of the Covered Bond Guarantor in connection with the liquidation of such Mortgage Loan including:

(a) proceeds arising from the enforcement of the relevant Mortgage and sale of the relevant mortgaged property;

(b) proceeds arising from the enforcement of the relevant Mortgage Documents;

(c) Insurance Proceeds under any relevant Insurance Policy; and

(d) proceeds arising from any resumption or compulsory acquisition of the relevant Mortgaged Property by any Governmental Agency,

but does not include:

(i) any amount required pursuant to the terms of any relevant Mortgage Document or any law to be paid to the Borrower, including any person having an interest in the mortgaged property as a mortgagee;

(ii) if the Interest Rate Swap is in effect in accordance with its terms, any Break Costs; and

(iii) any amounts recovered under a Mortgage Insurance Policy in respect of the Mortgage Loans then forming part of the Assets of the Trust.

Loan Agreement means, with respect to a Mortgage Loan, any agreement, schedule, terms and condition, letter, application, approval or other document (other than the relevant Mortgage) relating to the provision of financial accommodation by the Seller to the Borrower in connection with that Mortgage Loan.

Loan Files in relation to a Mortgage Loan, means the Mortgage Documents relating to the Mortgage Loan and all other books, records, paper and electronic files (whether originals or copies) relating to the Mortgage Loan.

Local Business Day means any day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Sydney.

Long Maturity Covered Bond has the meaning given to it in Condition 6.6(b) of the Programme Conditions.

LVR Adjusted Mortgage Loan Balance Amount has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Majority Secured Creditors means Secured Creditors whose Secured Obligations amount in aggregate to more than 66% of the total Secured Obligations.

Management Agreement means the management agreement entered into on or about the Programme Date, between the Seller, the Servicer, the Account Bank, the Covered Bond Guarantor, the Trust Manager, the Issuer and the Security Trustee.

Margin has the meaning given to it in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Minimum Redemption Amount means in respect of a Series or Tranche of Covered Bonds, the amount (if any) specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Moody's means Moody's Investors Service Pty Limited ABN 61 003 399 657 and includes any successor to its rating business.

Moody's Specified Rating means a credit rating of short-term, unsecured, unsubordinated and unguaranteed debt obligations of at least P-1 by Moody's.

Mortgage in relation to a Mortgage Loan means each registered mortgage over Land situated in any State or Territory of Australia and appearing on the Seller's records as securing, amongst other things, the repayment of that Mortgage Loan and the payment of interest and all other moneys in respect of that Mortgage Loan notwithstanding that by its terms the mortgage may secure other liabilities to the Seller. If, at any time after the date of the corresponding Sale Notice a mortgage is substituted or added as security for an existing Mortgage then, with effect from the date of such addition or substitution the definition of Mortgage will mean the substituted mortgage or include the additional mortgage, as the case may be.

Mortgage Documents in relation to a Mortgage Loan means:

(a) the Loan Agreement (other than the Mortgage) relating to that Mortgage Loan;

(b) the original or duplicate Mortgage documents in relation to that Mortgage Loan (including any document evidencing any substituted or additional Mortgage);

(c) the Certificate of Title or other indicia of title (if any) in respect of the Land the subject of the Mortgage in relation to that Mortgage Loan;

(d) the original or duplicate of the First Layer of Collateral Securities documents (other than the Insurance Policies) in relation to that Mortgage Loan;

(e) any Insurance Policy (or certificate of currency for the Insurance Policy) held by the Seller in respect of the Mortgage or the First Layer of Collateral Securities in relation to that Mortgage Loan;

(f) any Priority Agreement or its equivalent in writing entered into in connection with the Mortgage or the First Layer of Collateral Securities in relation to that Mortgage Loan;

(g) all other documents required to evidence the Seller's or the Covered Bond Guarantor's interest in the above Land, the above Mortgage and the above First Layer of Collateral Securities; and

(h) any amendment or replacement of or to any of the foregoing such documents which is entered into, and under which rights arise, whether before or after the Cut-Off Date.

Mortgage Insurance Policy means any mortgage insurance policy in force in respect of a Mortgage Loan, an Other Loan, a Mortgage or a Collateral Security which forms part of the Assets of the Trust.

Mortgage Loan each mortgage loan assigned or to be assigned (as the case may be) to the Covered Bond Guarantor and referred to in a Sale Notice (if issued), and in relation to the Seller, means a Mortgage Loan assigned to the Covered Bond Guarantor by the Seller.

Mortgage Loan Rights means each of the following items (together with all rights, title and interest in each of those items) assigned, or which may be assigned, as the case may be, in accordance with the Mortgage Sale Agreement to the Covered Bond Guarantor as trustee of the Trust or the CBA Trust:

(a) each Mortgage Loan identified in the schedule accompanying the Sale Notice;

(b) all Other Loans in existence from time to time in relation to the above Mortgage Loans;

(c) all Mortgages in existence from time to time in relation to the above Mortgage Loans;

(d) all Collateral Securities in existence from time to time in relation to the above Mortgage Loans;

(e) all Mortgage Insurance Policies in existence from time to time in relation to the above Mortgage Loans;

(f) all Mortgage Receivables in existence from time to time in relation to the above Mortgage Loans; and

(g) all Mortgage Documents in existence from time to time in relation to the above Mortgage Loans.

Mortgage Loan Scheduled Payment means in respect of a Mortgage Loan, the amount which the applicable Mortgage Documents require a Borrower to pay on a Mortgage Loan Scheduled Payment Date in respect of such Mortgage Loan.

Mortgage Loan Scheduled Payment Date means, in relation to any Mortgage Loan, the day on which a Borrower is required to make a payment of interest and, if applicable, principal in accordance with the Mortgage Documents applicable to such Mortgage Loan.

Mortgage Loan System means the electronic and manual reporting database and record keeping system used by the Servicer to monitor Mortgage Loans, as updated and amended or replaced from time to time.

Mortgage Receivables in relation to a Mortgage Loan means all moneys, present and future, actual or contingent, owing at any time in respect of or in connection with that Mortgage Loan under the corresponding Mortgage Documents, including all principal, interest, reimbursable costs and expenses and any other amounts incurred by or payable to the Seller (including any payments made by the Seller on behalf of the Borrower in relation to that Mortgage Loan) irrespective of whether:

(a) such amounts become due and payable before or after the Cut-Off Date; and

(b) such amounts relate to advances made or other financial accommodation provided by the Seller to the Borrower before or after the Cut-Off Date.

Mortgage Sale Agreement means the mortgage sale agreement entered into on or about the Programme Date, between the Issuer, the Seller, the Servicer, the Bank (as beneficiary of the CBA Trust), the Covered Bond Guarantor (in its capacity as trustee of the Trust and as trustee of the CBA Trust), the Trust Manager and the Security Trustee.

Mortgage Transfer in relation to a Mortgage means a duly executed land titles office transfer which, upon registration, is effective to transfer the legal title to the Mortgage to the Covered Bond Guarantor.

N Covered Bond means a Registered Covered Bond in definitive form made out in the name of a specified N Covered Bondholder issued or to be issued by the Issuer in accordance with the Principal Agency Agreement and in accordance with, and constituted by, the Bond Trust Deed, in the form of a German "Namensschuldverschreibung" substantially in the form set out in schedule 9 to the Bond Trust Deed with such modifications (if any) as may be agreed between the Issuer, the Covered Bond Guarantor, the Bond Trustee, the N Covered Bond Paying Agent, the N Covered Bond Registrar and the relevant N Covered Bondholder and having the N Covered Bond Conditions applicable to it annexed thereto and incorporating and subject to the provisions of the related N Covered Bond Confirmation (incorporating the N Covered Bond Confirmation Terms) relating thereto. References in this Prospectus to the Programme Conditions or a particularly numbered Programme Condition shall be construed, where relevant (and unless specified otherwise), to include the equivalent Condition in the N Covered Bond Conditions as supplemented by the relevant N Covered Bond Confirmation and N Covered Bond Confirmation Terms.

N Covered Bond Assignment Agreement means the assignment agreement attached to each N Covered Bond substantially in the form set out in schedule 9 to the Bond Trust Deed.

N Covered Bond Conditions means the terms and conditions of each N Covered Bond annexed thereto as set out in schedule 9 to the Bond Trust Deed as modified and/or supplemented by the provisions of the relevant N Covered Bond Confirmation Terms.

N Covered Bond Confirmation means a confirmation incorporating the N Covered Bond Confirmation Terms and signed by the N Covered Bondholder, the Covered Bond Guarantor, the Issuer and the Bond Trustee substantially in the form set out in schedule 9 to the Bond Trust Deed.

N Covered Bond Confirmation Terms means the standard set of terms incorporated by the N Covered Bond Confirmation substantially in the form set out in schedule 9 to the Bond Trust Deed as may be amended from time to time in accordance with the Bond Trust Deed.

N Covered Bond Paying Agent means Citibank, N.A., London Branch or any other person from time to time appointed to perform the role of the paying agent in relation to the N Covered Bonds under the Principal Agency Agreement, including any successor or additional paying agent, or, if so specified in the applicable N Covered Bond Conditions of a Series of N Covered Bonds, any other person appointed by the Issuer under a supplemental agency agreement to perform the duties of the paying agent in relation to such Series of N Covered Bonds.

N Covered Bond Register means the register of holders of the N Covered Bonds maintained by the N Covered Bond Registrar.

N Covered Bond Registrar means Citibank, N.A., London Branch or any other person from time to time appointed to perform the role of the registrar in relation to the N Covered Bonds under the Principal Agency Agreement, including any successor registrar, or, if so specified in the applicable N Covered Bond Conditions of a Series of N Covered Bonds, any other person appointed by the Issuer under a supplemental agency agreement to perform the duties of the registrar in relation to such Series of N Covered Bonds.

N Covered Bondholder means the registered holder of an N Covered Bond.

National Consumer Credit Protection Laws means each of

(a) the NCCP;

(b) the National Consumer Credit Protection (Fees) Act 2009 (Cth);

(c) the Transitional Act;

(d) any acts or other legislation enacted in connection with any of the acts set out in paragraphs (a) to (c) above, the NCCP Regulations and any other regulations made under any of the acts set out in paragraphs (a) to (c) above; and

(e) Division 2 of Part 2 of the Australian Securities and Investments Commission Act 2001, so far as it relates to the obligations in respect of an Australian Credit Licence issued under the NCCP or registration as a Registered Person under the Transitional Act.

NCCP means National Consumer Credit Protection Act 2009 (Cth) including the National Credit Code annexed to that Act.

NCCP Regulations means the National Consumer Credit Protection Regulations 2010 (Cth).

Negative Carry Factor has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

negligence of the Covered Bond Guarantor or the Security Trustee means the negligence of the Covered Bond Guarantor or the Security Trustee, as the case may be, and of its officers, employees, agents and any other person where the Covered Bond Guarantor or the Security Trustee, as the case may be, is liable for the acts or omissions of such other person under the terms of the relevant Programme Document.

Net Trust Income in relation to the Trust for a Financial Year means the amount calculated in accordance with the Establishment Deed for the Trust for the Financial Year.

New Secured Creditor means any person which becomes a Secured Creditor after the Programme Date pursuant to and in accordance with the Security Deed.

Non-Forward Starting Covered Bond Swap has the meaning given to it in the section "*Overview of the Principal Documents – Swap Agreements – Covered Bond Swap Agreements*" in this Prospectus.

Notice to Pay means the notice to pay served by the Bond Trustee on the Covered Bond Guarantor (and copied to the Trust Manager and the Security Trustee) pursuant to the Covered Bond Guarantee and in accordance with the Bond Trust Deed which requires the Covered Bond Guarantor to make payments of Guaranteed Amounts when they become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

OC Account means the account in the name of the Covered Bond Guarantor held with the Account Bank and maintained subject to the terms of the Account Bank Agreement, the OC Account Mandate and/or such additional or replacement account as may from time to time be in place pursuant to the terms of the Account Bank Agreement.

OC Account Mandate means the resolutions, instructions and signature authorities relating to the OC Account substantially in the form set out in schedule 3 to the Account Bank Agreement.

Original Due for Payment Date means the date on which the Scheduled Payment Date in respect of such Guaranteed Amount occurs or, if later, the day which is two Business Days following the date of service of a Notice to Pay on the Covered Bond Guarantor in respect of such Guaranteed Amount or if the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) specified that an Extended Due for Payment Date is applicable to the relevant Series of Covered Bonds, the Interest Payment Dates that would have applied if the Final Maturity Date of such Series of Covered Bonds had been the Extended Due for Payment Date.

Other Loan in relation to a Mortgage Loan means any loans, credit and financial accommodation of whatever nature (other than that Mortgage Loan) the payment or repayment of which is secured by a Mortgage, or by a Collateral Security, which also secures that Mortgage Loan.

Outstanding or **outstanding** means, in relation to the Covered Bonds of all or any Series, all the Covered Bonds of such Series issued other than:

(a) those Covered Bonds which have been redeemed in full and cancelled pursuant to the Bond Trust Deed and/or Condition 5 of the Programme Conditions and/or, in the case of an N Covered Bond, Condition 4 of the N Covered Bond Conditions;

(b) those Covered Bonds in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with Condition 5 of the Programme Conditions and/or, in the case of an N Covered Bond, the N Covered Bond Conditions (if applicable) has occurred and the redemption moneys (including all interest payable thereon) have been duly paid to the Bond Trustee or (other than in the case of any A$ Registered Covered Bonds) to the Principal Paying Agent in the manner provided in the Principal Agency Agreement (and where appropriate notice to that effect has been given to the relative Covered Bondholders in accordance with Condition 12 of the Programme Conditions and/or, in the case of an N Covered Bond, Condition 9 of the N Covered Bond 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 Condition 5.10 of the Programme Conditions and, in the case of an N Covered Bond, any equivalent provision in the N Covered Bond Conditions;

(d) those Covered Bonds which have become void or in respect of which claims have become prescribed, in each case under Condition 8 of the Programme Conditions and/or, in the case of an N Covered Bond, Condition 7 of the N Covered Bond 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 Condition 11 of the Programme Conditions and/or, in the case of an N Covered Bond, Condition 10 of the N Covered Bond 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 Condition 11 of the Programme Conditions and/or, in the case of an N Covered Bond, Condition 10 of the N Covered Bond Conditions;

(g) any Global Covered Bond to the extent that it will have been exchanged for definitive Covered Bonds or another Global Covered Bond pursuant to its provisions, the provisions of the Bond Trust Deed and the Principal Agency Agreement; and

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 20 of schedule 6 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 provisions in the Bond Trust Deed relating to the taking of any action following an Issuer Event of Default or service of a Covered Bond Guarantee Acceleration Notice or directing the Security Trustee to take any action under the Security Deed, Conditions 9 and 10 of the Programme Conditions and paragraphs 2, 5, 6, and 9 of schedule 6 to the Bond Trust Deed;

(iii) any discretion, power or authority (whether contained in the Bond Trust Deed or vested by operation of law) which the Bond Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the holders of the Covered Bonds of any Series; and

(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,

(A) those Covered Bonds of the relevant Series (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer or the Covered Bond Guarantor, any Subsidiary or holding company of any of them or any other Subsidiary of any such holding company, in each case as beneficial owner; and (B) those N Covered Bonds held by an N Covered Bondholder who has not entered into and delivered to the Issuer the related N Covered Bond Confirmation (incorporating the N Covered Bond Confirmation Terms) or agreed to be bound by the related N Covered Bond Confirmation by way of an N Covered Bond Assignment Agreement, will (unless and until ceasing to be so held) be deemed not to remain outstanding except in the case of the Issuer or the Covered Bond Guarantor, any Subsidiary or holding company of any of them or any other Subsidiary of any such holding company (each a **Relevant Person**) holding, by itself or together with any other Relevant Person, all of the Covered Bonds then outstanding or, in respect of a Series of Covered Bonds, all Covered Bonds of such Series.

Partial Portfolio has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*" in this Prospectus.

Paying Agents means the Principal Paying Agent, the U.S. Paying Agent, the N Covered Bond Paying Agent (as the case may be) and any other paying agent appointed pursuant to the Principal Agency Agreement, including any additional or successor paying agents.

Perfection of Title means, in relation to a Mortgage or Mortgage Loan forming part of the Assets of the Trust, the date following the occurrence of a Perfection of Title Event on which the legal title to that Mortgage or Mortgage Loan, as the case may be, has been perfected in the name of the Covered Bond Guarantor in accordance with the Mortgage Sale Agreement.

Perfection of Title Event has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Transfer of Title to the Mortgage Loan Rights to the Covered Bond Guarantor*" in this Prospectus.

Permanent Bearer Global Covered Bond means a global bearer covered bond substantially in the form set out in part 2 of schedule 4 to the Bond Trust Deed together with the copy of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) annexed to the global bearer covered bond and with such modifications (if any) agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s), comprising some or all of the Covered Bonds of the same Series, issued by the Issuer and the relevant Dealer(s) relating to the Programme, the Principal Agency Agreement and the Bond Trust Deed in exchange for the whole or part of any Temporary Bearer Global Covered Bond issued in respect of such Covered Bonds.

Post-Enforcement Priority of Payments has the meaning given to it in the section "*Cashflows – Post-Enforcement Priority of Payments*" in this Prospectus.

Potential Covered Bond Guarantor Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Covered Bond Guarantor Event of Default.

Potential Issuer Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Issuer Event of Default.

PPSA means the Personal Property Securities Act 2009 (Cth).

PPSA Start Date means, as at the date of this Prospectus, 30 January 2012.

Prospectus means this Prospectus prepared in connection with the Programme and constituting a base prospectus for the purposes of the PRM, as revised, supplemented or amended from time to time by the Issuer in accordance with the Programme Agreement including any documents which are from time to time incorporated in the Prospectus by reference except that:

(a) in relation to each Series or Tranche of Covered Bonds only the applicable Final Terms (and not any other terms) will be deemed to be included in the Prospectus; and

(b) for the purpose of the representations and warranties made pursuant to the Programme Agreement in respect of the Agreement Date and the Issue Date, the Prospectus means the Prospectus as at the Agreement Date and the Issue Date, respectively, but without prejudice to paragraph (a) above not including any subsequent revision, supplement or amendment to it or incorporation of information in it.

Pre-Acceleration Income Priority of Payments has the meaning given to it in the section "*Cashflows – Pre-Acceleration Income Priority of Payments*" in this Prospectus.

Pre-Acceleration Principal Priority of Payments has the meaning given to it in the section "*Cashflows – Pre-Acceleration Principal Priority of Payments*

Pre-Acceleration Priority of Payments means the Pre-Acceleration Principal Priority of Payments and/or the Pre-Acceleration Income Priority of Payments, as the context requires.

Pre-Maturity Demand Loan Advance means a Demand Loan Advance requested by the Trust Manager in accordance with the Demand Loan Agreement to rectify a breach of the Pre-Maturity Test in accordance with the Establishment Deed.

Pre-Maturity Ledger means the ledger maintained by the Trust Manager pursuant to the Management Agreement to record the credits and debits of moneys available to repay any Series of Hard Bullet Covered Bonds on the Final Maturity Date thereof if the Pre-Maturity Test in respect of such Series of Hard Bullet Covered Bonds has been breached.

Pre-Maturity Test has the meaning given to it in the section "*Credit Structure – Pre-Maturity Test*" in this Prospectus.

Pre-Maturity Test Date means each Local Business Day during the Pre-Maturity Test Period prior to the occurrence of an Issuer Event of Default and/or the occurrence of a Covered Bond Guarantor Event of Default.

Pre-Maturity Test Period means, in relation to a Series of Hard Bullet Covered Bonds, the period commencing on the day 12 months prior to the Final Maturity Date of the Series and ending on the Final Maturity Date of the Series.

Pricing Supplement means (i) the Pricing Supplement prepared in relation to each Series or Tranche of Exempt Covered Bonds issued under the Programme (substantially in the form set out in this Prospectus) and giving details of that Series or Tranche and (ii) with respect to any N Covered Bond, means (taken together) the N Covered Bond Conditions applicable to the N Covered Bond and the related N Covered Bond Confirmation (incorporating the N Covered Bond Confirmation Terms). Accordingly, in the case of N Covered Bonds, each reference in this Prospectus to information being set out, specified, stated, shown, indicated or otherwise provided for in the applicable Pricing Supplement shall be read and construed as a reference to such information being set out,

specified, stated, shown, indicated or otherwise provided in the N Covered Bond, the N Covered Bond Conditions attached thereto and the relevant N Covered Bond Confirmation together with the N Covered Bond Confirmation Terms and, as applicable, each other reference to Pricing Supplement in this Prospectus shall be construed and read as a reference to such N Covered Bond, the N Covered Bond Conditions attached thereto and the relevant N Covered Bond Confirmation together with the N Covered Bond Confirmation Terms.

Principal Agency Agreement means the agency agreement dated on or about the Programme Date (such agency agreement as amended and restated on 27 June 2012, as further amended and restated on 16 November 2012, as further amended and restated on 15 November 2013, as further amended and restated on 3 December 2018 and as further amended and restated on 13 December 2019 and as otherwise amended and/or supplemented and/or restated from time to time) and made between the Issuer, the Trust Manager, the Covered Bond Guarantor, the Bond Trustee, the Principal Paying Agent, the U.S. Paying Agent, the N Covered Bond Paying Agent, the Transfer Agent, the U.S. Transfer Agent, the Exchange Agent, the Registrar, the U.S. Registrar and the N Covered Bond Registrar.

Principal Amount Outstanding in respect of a Covered Bond means the outstanding principal amount of that Covered Bond.

Principal Collections in relation to a Collection Period means the aggregate of the following amounts (without double counting) received by or on behalf of the Covered Bond Guarantor during that Collection Period in respect of the Mortgage Loans then forming part of the Assets of the Trust:

(a) all amounts received under or in respect of the Mortgage Loans in respect of principal (less reversals made during the period in respect of interest or other charges in relation to any of the accounts where the original debit entry (or part thereof) was in error); and

(b) all amounts of principal payable under or in respect of the Mortgage Loans and the Mortgage Loan Rights to the extent that the obligations to pay such amounts are discharged by the exercise during that Collection Period of a right of set-off or right to combine accounts,

but does not include any Available Income Amount or any other amounts which would fall within paragraphs (b) to (g) of the definition of Available Principal Amount.

Principal Ledger means the ledger of such name maintained by the Trust Manager pursuant to the Management Agreement to record the credits of certain items described in the definition of Available Principal Amount and debits in accordance with the terms of the Establishment Deed.

Principal Paying Agent has the meaning given to it in the section "*Programme Overview – The Parties*" in this Prospectus.

Priorities of Payments means the Pre-Acceleration Income Priority of Payments, the Pre-Acceleration Principal Priority of Payments, the Guarantee Priority of Payments and the Post-Enforcement Priority of Payments, and each a **Priority of Payments**.

Priority Agreement means any agreement between the Seller and a subsequent mortgagee of Land the subject of a Mortgage or Collateral Security:

(a) under which the Seller and the subsequent mortgagee agree to a ranking of their respective securities over the said Land which provides for the Seller's security to be a first ranking security to an agreed amount and the subsequent mortgagee's security to be a second ranking security; and

(b) whose sole subject matter is the agreement as to ranking referred to in paragraph (a) above and matters ordinarily incidental thereto.

Privacy Act means the Privacy Act 1988 (Cth).

PRM means the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook.

Programme means the covered bond programme established by the Bank.

Programme Agreement means the agreement dated on or about the Programme Date, entered into by the Issuer, the Covered Bond Guarantor, the Seller, the Arranger and the Dealers, as amended and restated on 27 June 2012,

as further amended and restated on 16 November 2012, as further amended and restated on 15 November 2013, as further amended and restated on 14 November 2014, as further amended and restated on 13 November 2015, as further amended and restated on 21 November 2017, as further amended and restated on 3 December 2018, as further amended and restated on 13 December 2019, as further amended and restated on 27 August 2020, as further amended and restated on 9 July 2021, as further amended and restated on 20 July 2022, as further amended and restated on 22 July 2024, as further amended and restated on 22 July 2025, as further amended and restated on 20 July 2026 and as otherwise amended, restated, supplemented, replaced or novated from time to time, to agree a basis upon which the Dealer(s) or any of them may from time to time agree to subscribe for, offer or place Covered Bonds (other than Rule 144A Covered Bonds).

Programme Conditions means the terms and conditions of the Covered Bonds issued under this Prospectus (as set out in schedules 1, 2 and 3 of the Bond Trust Deed) as modified and/or supplemented by the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) in relation to a particular Series or Tranche of Covered Bonds, as the same may be modified from time to time in accordance with the Bond Trust Deed. References herein to the Programme Conditions are to each of such terms and conditions, or to the relevant terms and conditions, as the context requires.

Programme Date means on or about 15 November 2011.

Programme Documents means the following documents:

(a) Mortgage Sale Agreement (and any documents entered into (including but not limited to any document setting out particulars of any Mortgage Loan Rights sold by the Seller to the Covered Bond Guarantor) pursuant to the Mortgage Sale Agreement);

(b) Servicing Deed;

(c) Cover Pool Monitor Agreement;

(d) Intercompany Loan Agreement;

(e) Demand Loan Agreement;

(f) Establishment Deed;

(g) Management Agreement;

(h) Interest Rate Swap Agreement;

(i) each Covered Bond Swap Agreement;

(j) Account Bank Agreement;

(k) Security Deed (and any documents entered into pursuant to the Security Deed, including each Deed of Accession);

(l) Bond Trust Deed;

(m) the Programme Agreement;

(n) the U.S. Distribution Agreement;

(o) each Agency Agreement;

(p) each Subscription Agreement (as defined in the Programme Agreement and as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement);

(q) each Terms Agreement (as defined in the U.S. Distribution Agreement and as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a terms agreement);

(r) Seller Powers of Attorney; and

(s) the Definitions Schedule,

and each document, agreement or deed ancillary or supplemental to any of such documents or any document, agreement or deed specified by the Issuer, the Trust Manager, the Covered Bond Guarantor and the Security Trustee as a Programme Document and each a **Programme Document**.

Programme Resolution has the meaning given to it in Condition 10.1 of the Programme Conditions.

Prospectus means, at any time, the most recent published information memorandum, offering circular or prospectus, including any supplement thereto, issued by the Issuer in relation to the Programme.

Purchaser means the Seller or any third party to whom the Covered Bond Guarantor offers to sell Selected Mortgage Loan Rights.

Put Notice has the meaning given to it in Condition 5.4 of the Programme Conditions.

Qualified Institution means a bank:

(a) which pays any relevant interest in the ordinary course of its business;

(b) whose short-term, unsecured, unsubordinated and unguaranteed debt obligations are rated at least P-1 by Moody's and F1 by Fitch (or, if Fitch has placed the bank on ratings watch negative at the relevant time, at least F1+ by Fitch); and

(c) whose long-term, unsecured, unsubordinated and unguaranteed debt obligations are rated at least A by Fitch (or, if Fitch has placed the bank on ratings watch negative at the relevant time, at least A+ by Fitch),

or, in the case of paragraphs (b) and (c), such other lower rating as Fitch and/or Moody's may require in order to maintain the then current ratings of the Covered Bonds.

Rating Affirmation Notice in relation to an event or circumstance and a Rating Agency, means a notice in writing from the Issuer to the Covered Bond Guarantor and the Bond Trustee (copied to the Seller and each Rating Agency) confirming that it has notified that Rating Agency of the event or circumstance and that the Issuer is reasonably satisfied following discussions with that Rating Agency that the event or circumstance, as applicable, will not result in a reduction, qualification or withdrawal of the ratings then assigned by that Rating Agency to the Covered Bonds.

Rating Agencies means Moody's and Fitch or their successors, to the extent they provide ratings in respect of the Covered Bonds, and each a **Rating Agency**.

RBA means the Reserve Bank of Australia.

RBA Bond Basis has the meaning given to it in Condition 4.3(a) of the Programme Conditions.

Receiver means any person or persons appointed (and any additional person or persons appointed or substituted pursuant thereto) by the Security Trustee as a receiver, manager, or receiver and manager of the property charged or secured under the Security Deed.

Record Date has the meaning given to it in Condition 6.2 of the Programme Conditions and/or, in the case of N Covered Bonds, the meaning given to it in the relevant N Covered Bond Conditions.

Register means the register of holders of the Registered Covered Bonds maintained by the Registrar.

Registered Covered Bonds means Covered Bonds (other than the A$ Registered Covered Bonds) issued in registered form (being Regulation S Global Covered Bonds and/or Regulation S Definitive Covered Bonds and/or the N Covered Bonds, as the case may be).

Registered Person has the meaning given to it in the Transitional Act.

Registrar means Deutsche Bank Luxembourg S.A. or any other person from time to time appointed to perform the role of registrar under the Principal Agency Agreement.

Regulation S means Regulation S under the Securities Act.

Regulation S Covered Bond means a Covered Bond represented by a Regulation S Global Covered Bond and/or a Regulation S Definitive Covered Bond, as the context may require.

Regulation S Definitive Covered Bond means a Definitive Covered Bond sold to non-U.S. persons outside the United States in reliance on Regulation S.

Regulation S Global Covered Bond means a Global Covered Bond representing Covered Bonds sold to non-U.S. persons outside the United States in reliance on Regulation S and substantially in the form set out in part 7 of schedule 4 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).

REIA means the Real Estate Institute of Australia.

Related Body Corporate in relation to a body corporate means a body corporate which is related to the first mentioned body corporate by virtue of division 6 of part 1.2 of the Australian Corporations Act.

Relevant Date has the meaning given to it in Condition 7 of the Programme Conditions and/or, in the case of N Covered Bonds, the meaning given to it in the relevant N Covered Bond Conditions.

Relevant Dealers mean, in the case of an issue of Covered Bonds being, or intended to be, subscribed by more than one Dealer, all such Dealers.

Relevant Spread has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Reporting Statement means the statement (which may be in electronic form) prepared by the Servicer in accordance with the Servicing Deed in a form agreed by the Trust Manager, the Servicer and the Covered Bond Guarantor.

Representations and Warranties means the representations and warranties set out in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Representations and Warranties*" in this Prospectus.

Required Current Principal Balance Amount has the meaning given to it in "*Overview of the Principal Documents – Establishment Deed – Method of Sale of Selected Mortgage Loan Rights*" in this Prospectus.

Required Redemption Amount means, in respect of a Series of Covered Bonds, the amount calculated in accordance with the following formula:

$$A \times \left(1 + \left(B \times \frac{C}{365}\right)\right)$$

where,

A = the Principal Amount Outstanding of the relevant Series of Covered Bonds;

B = the Negative Carry Factor; and

C = days to maturity of the relevant Series of Covered Bonds.

Reserve Fund means the reserve fund established by the Covered Bond Guarantor (or the Trust Manager on its behalf) in the GIC Account which will be credited with the proceeds of the Available Income Amount or a Term Advance or a Demand Loan Advance up to an amount equal to the Reserve Fund Required Amount in accordance with the applicable Priority of Payments.

Reserve Fund Required Amount means:

(a) if, and for so long as, the Issuer's credit rating is equal to or higher than the Moody's Specified Rating and the Fitch Specified Rating, nil or such other amount as the Issuer will direct the Covered Bond Guarantor from time to time; or

(b) if, and for so long as, the Issuer's credit rating is below the Moody's Specified Rating but is equal to or higher than the Fitch Specified Rating, an amount equal to the Australian Dollar Equivalent of amounts of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place, the aggregate amounts due to each Covered Bond Swap Provider in the immediately following month; and/or (ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place, the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following month; and (iii) an amount equal to one quarter of the anticipated aggregate annual amount payable in respect of the items specified in paragraphs (a) to (d) of the Pre-Acceleration Income Priority of Payments and, if applicable, paragraph (e) of the Pre-Acceleration Income Priority of Payments, provided that in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated; or

(c) if, and for so long as, the Issuer's credit rating is below the Fitch Specified Rating but is equal to or higher than the Moody's Specified Rating, an amount equal to the Australian Dollar Equivalent of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place and is provided by a party other than the Issuer (or a related party), the aggregate amounts due to each Covered Bond Swap Provider in the immediately following three months; and/or (ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place and/or a Covered Bond Swap is provided by the Issuer (or a related party), the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following three months; and/or (iii) an amount equal to the anticipated aggregate amount payable in the immediately following three months in respect of the items specified in paragraphs (a) to (d) of the Pre-Acceleration Income Priority of Payments and, if applicable, paragraph (e) of the Pre-Acceleration Income Priority of Payments provided, that in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated; or

(d) if, and for so long as, the Issuer's credit rating is less than both the Moody's Specified Rating and the Fitch Specified Rating, the higher of the amounts determined in accordance with paragraphs (b) and (c) above.

Reserve Ledger means the ledger of such name maintained by the Trust Manager pursuant to the Management Agreement, to record the crediting of amounts to the Reserve Fund in accordance with the terms of the Establishment Deed and the debiting of such Reserve Fund in accordance with the terms of the Programme Documents.

Royal Commission means the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry established on 14 December 2017.

Rule 144A means Rule 144A under the Securities Act.

Sale Notice means, a notice from the Seller to the Covered Bond Guarantor (and copied to the Bond Trustee) in or substantially in the form of schedule 4 to the Mortgage Sale Agreement (or in such other form agreed between the Seller, the Trust Manager and the Covered Bond Guarantor).

Sale Proceeds means the cash proceeds realised from the sale of Selected Mortgage Loan Rights.

SASPL means Securitisation Advisory Services Pty. Limited.

Scheduled Balance in relation to a Mortgage Loan means the amount that would be owing on that Mortgage Loan at the date of determination if the Borrower had made, prior to that date, the minimum payments required under the Mortgage Loan.

Scheduled Interest means an amount equal to the amount in respect of interest which would have been due and payable under the Covered Bonds on each Interest Payment Date as specified in Condition 4 of the Programme Conditions and Condition 3 of the N Covered Bond Conditions (but excluding any additional amounts relating to premiums, default interest or interest upon interest, the **Excluded Scheduled Interest Amounts**) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a Covered Bond Guarantee Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Final Maturity Date or, if the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) specify that an Extended Due for Payment Date is applicable to the

relevant Covered Bonds, as if the maturity date of the Covered Bonds had been the Extended Due for Payment Date (but taking into account any principal repaid in respect of such Covered Bonds or any Guaranteed Amounts paid in respect of such principal prior to the Extended Due for Payment Date), less any additional amounts the Issuer would be obliged to pay as a result of any gross-up in respect of any withholding or deduction made under the circumstances set out in Condition 7 of the Programme Conditions or Condition 6 of the N Covered Bond Conditions.

Scheduled Payment Date means in relation to payments under the Covered Bond Guarantee, each Interest Payment Date or the Final Maturity Date as if the Covered Bonds had not become due and repayable prior to their Final Maturity Date.

Scheduled Principal means an amount equal to the amount in respect of principal which would have been due and repayable under the Covered Bonds on each Interest Payment Date or the Final Maturity Date (as the case may be) as specified in Condition 5.1 of the Programme Conditions and Condition 4.1 of the N Covered Bond Conditions (but excluding any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums or default interest (the **Excluded Scheduled Principal Amounts**) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a Covered Bond Guarantee Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Final Maturity Date or, if the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) specify that an Extended Due for Payment Date is applicable to the relevant Covered Bonds, as if the maturity date of the Covered Bonds had been the Extended Due for Payment Date.

Second Determination Date has the meaning given to it in the section "*Overview of the Principal Documents – Establishment Deed – Asset Coverage Test*" in this Prospectus.

Second Layer of Collateral Securities in relation to a Mortgage Loan means all Collateral Securities in respect of that Mortgage Loan which do not constitute the First Layer of Collateral Securities for that Mortgage Loan.

Secured Creditors means the Security Trustee (in its own capacity and on behalf of the other Secured Creditors), the Covered Bond Guarantor (in its own capacity), the Bond Trustee (in its own capacity and on behalf of the Covered Bondholders), the Covered Bondholders, the Couponholders, the Issuer, the Seller, the Servicer, the Intercompany Loan Provider, the Demand Loan Provider, the Account Bank, the Swap Providers, the Trust Manager, the Agents, the Cover Pool Monitor and any other person who becomes a Secured Creditor pursuant to the Security Deed, and each, a **Secured Creditor**.

Secured Obligations means all amounts (whether actual or contingent, present or future) which at any time for any reason or circumstance in connection with any Programme Document that relates to, or applies to, the Trust or the Security Deed or any transactions contemplated by any of them (insofar as such transactions relate to, or apply to, the Trust), whatsoever whether at law, in equity, under statute or otherwise:

(a) are payable, are owing but not currently payable, are contingently owing, or remain unpaid by the Covered Bond Guarantor to the Security Trustee on its own account or for the account of the Secured Creditors or to any Secured Creditor or to any Receiver;

(b) have been advanced or paid by the Security Trustee on its own account or for the account of the Secured Creditors or by any Secured Creditor:

  (i) at the express request of the Covered Bond Guarantor; and

  (ii) on behalf of the Covered Bond Guarantor;

(c) which the Security Trustee on its own account or for the account of the Secured Creditors or any Secured Creditor is liable to pay by reason of any act or omission of the Covered Bond Guarantor or has paid or advanced in the protection or maintenance of the Charged Property or the Security and the charge created by the Security Deed following an act or omission by the Covered Bond Guarantor; or

(d) are reasonably foreseeable as likely, after that time, to fall within any of paragraph (a), (b) or (c) above,

and references to **Secured Obligations** includes references to any of them.

This definition applies:

(i) irrespective of the capacity in which the Covered Bond Guarantor, the Security Trustee or any Secured Creditor became entitled or is liable in respect of the amount concerned;

(ii) whether the Covered Bond Guarantor, the Security Trustee or any Secured Creditor is liable as principal debtor or surety or otherwise;

(iii) whether the Covered Bond Guarantor is liable alone or jointly, or jointly and severally with another person;

(iv) whether the Security Trustee or any Secured Creditor is the original obligee or an assignee or a transferee of the Secured Obligations and whether or not:

(A) the assignment or transfer took place before or after the delivery of the Security Deed; or

(B) the Covered Bond Guarantor consented to or was aware of the assignment or transfer; or

(C) the assigned or transferred obligation was secured; or

(v) whether the Security Trustee or any Secured Creditor is the original Security Trustee or an original Secured Creditor or an assignee or a transferee of the original Security Trustee or an original Secured Creditor, and whether or not the Covered Bond Guarantor consented to or was aware of the assignment or transfer.

Securities Act means the United States Securities Act of 1933, as amended.

Security means the Security Interests over the Charged Property granted pursuant to the Security Deed.

Security Deed means the security deed dated on or about the Programme Date, as amended on 3 December 2018, as further amended on 9 July 2021, as further amended on 22 July 2024, and as otherwise amended, restated, supplemented, replaced or novated from time to time and made between the Bank (in various capacities, including as Issuer, Seller and Servicer), the Covered Bond Guarantor, the Trust Manager and the Security Trustee.

Security Interest means any mortgage, security interest, charge, encumbrance, pledge, lien, hypothecation, assignment by way of security or other security interest or title retention arrangement and any agreement, trust or arrangement having substantially the same economic or financial effect as any of the foregoing (other than a lien arising in the ordinary course of business or by operation of law).

Security Trust means the trust formed under the Security Deed.

Security Trustee means P.T. Limited ABN 67 004 454 666 in its capacity as security trustee of the Security Trust together with any additional security trustee appointed from time to time in accordance with the terms of the Security Deed.

Selected Mortgage Loan Rights Offer Notice means a notice substantially in the form of schedule 6 of the Mortgage Sale Agreement from the Covered Bond Guarantor served on the Seller offering to sell Selected Mortgage Loan Rights to the Seller.

Selected Mortgage Loan Rights means Mortgage Loan Rights to be sold by the Covered Bond Guarantor pursuant to the terms of the Establishment Deed having in aggregate the Required Current Principal Balance Amount.

Seller means the Bank in its capacity as seller pursuant to the Mortgage Sale Agreement.

Seller Mortgage Loan Repurchase Notice means the notice served on the Covered Bond Guarantor by the Seller offering to purchase certain Mortgage Loan Rights specified in the notice substantially in the form set out in schedule 5 to the Mortgage Sale Agreement.

Seller Powers of Attorney means the powers of attorney granted by the Seller in favour of the Covered Bond Guarantor in substantially the form set out at schedules 1, 2 and 3 to the Mortgage Sale Agreement.

Series means (i) with respect to N Covered Bonds, each N Covered Bond made out in the name of a specific N Covered Bondholder and (ii) in any other case, a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are:

(a) expressed to be consolidated and form a single series; and

(b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Series Reserved Matter has the meaning given to it in Condition 10.4 of the Programme Conditions.

Servicer means the Bank in its capacity as servicer under the Servicing Deed or such other servicer appointed pursuant to the Servicing Deed from time to time.

Servicer Default has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Removal or resignation of the Servicer*" in this Prospectus.

Services means the services to be performed by the Servicer in accordance with the Servicing Deed.

Servicing Deed means the Servicing Deed entered into on or about the Programme Date, between the Covered Bond Guarantor (as trustee of the Trust and as trustee of the CBA Trust), the Bank (in its capacity as Servicer and Seller), the Trust Manager and the Security Trustee.

Servicing Guidelines means the relevant written guidelines policies and procedures established by the Servicer for servicing mortgage loans recorded on the Mortgage Loan System, including the Mortgage Loans, as amended or updated in writing from time to time.

Servicing Standards at any time means the relevant standards and practices set out in the then Servicing Guidelines and, to the extent that a servicing function is not covered by the Servicing Guidelines, the standards of a prudent lender in the business of making retail home loans.

Settlement Amount means A$100.

Settlement Date in relation to a Mortgage Loan means the date on which an agreement between the Seller and a Borrower for the making of that Mortgage Loan was made.

Specified Currency means subject to any applicable legal or regulatory restrictions, Australian Dollars, euro, Sterling, U.S. Dollars and such other currency or currencies as may be agreed from time to time by the Issuer, the relevant Dealer(s), the Principal Paying Agent and the Bond Trustee and specified in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Specified Denomination means, in relation to a Series or Tranche of Covered Bonds, the Specified Denomination as set out in the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement).

Specified Time has a meaning given in the Condition 4.2(d), or as specified in the applicable Final Terms or applicable Pricing Supplement.

Stock Exchange means the London Stock Exchange or any other or further stock exchange(s) on which any Covered Bonds may from time to time be listed or admitted to trading and references to the relevant Stock Exchange will, in relation to any Covered Bonds, be references to the Stock Exchange on which such Covered Bonds are, from time to time, or are intended to be, listed or admitted to trading.

Subscription Agreement means an agreement supplemental to the Programme Agreement (by whatever name called) in or substantially in the form set out in appendix 1 of the Programme Agreement or in such other form as may be agreed between the Issuer and the Lead Manager or one or more Dealers (as the case may be).

Subsidiary has the meaning given to it in section 9 of the Australian Corporations Act.

Substitute Servicer at any given time means the entity then appointed as Servicer in accordance with the Servicing Deed.

Substitute Trust Manager at any given time means the entity then appointed as Trust Manager in accordance with the Management Agreement.

Substitution Assets means:

(a) Australian Dollar bank accepted bills and certificates of deposit, with a remaining period to maturity of 100 days or less provided that such bank accepted bills and certificates of deposit are issued or guaranteed by a Qualified Institution (other than the Bank) and satisfy the RBA's repurchase requirements for eligible assets that may collateralise covered bonds (if any);

(b) Australian Dollar at call deposits held with an ADI (which is a Qualified Institution) and convertible into cash within two Local 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 (i) Aaa by Moody's and (ii) F1+ and/or AA- by Fitch or their equivalents by two other internationally recognised rating agencies; and

(d) any other asset of a kind prescribed in section 31(1) of the Australian Banking Act or by regulation for the purposes of section 31(1)(i) of the Australian Banking Act in respect of which the Issuer has issued a Rating Affirmation Notice,

and, for the avoidance of doubt, does not include any assets of a kind prescribed by regulation for the purposes of section 31(3) of the Australian Banking Act.

Swap Agreement Credit Support Annex means a credit support annex entered into between the Covered Bond Guarantor and a Swap Provider in the form of the ISDA 1995 Credit Support Annex (Transfer – English law) to the ISDA Master Agreement, as published by ISDA.

Swap Collateral means at any time, an amount of cash or securities which is paid or transferred by a Swap Provider to the Covered Bond Guarantor as collateral to secure the performance by such Swap Provider of its obligations under the relevant Swap Agreement together with any interest or other income received in respect of such asset and any equivalent of such cash or securities, as applicable.

Swap Collateral Cash Account means the account in the name of the Covered Bond Guarantor held with the Account Bank and maintained subject to the terms of the Account Bank Agreement and the relevant Swap Agreement Credit Support Annex into which cash is deposited by a Swap Provider as collateral to secure the performance by such Swap Provider of its obligations under the relevant Swap Agreement.

Swap Collateral Excluded Amounts means at any time, the amount of Swap Collateral which may not be applied under the terms of the relevant Swap Agreement at that time in satisfaction of the relevant Swap Provider's obligations to the Covered Bond Guarantor, including Swap Collateral which is to be returned or paid to the relevant Swap Provider from time to time in accordance with the terms of the relevant Swap Agreement and ultimately upon termination of the relevant Swap Agreement.

Swap Master Agreement means an agreement between the Covered Bond Guarantor, the Trust Manager, the Security Trustee and a Swap Provider governing Swaps entered into with such Swap Provider in the form of a 2002 Master Agreement, as published by ISDA, together with the schedule thereto and any relevant Swap Agreement Credit Support Annex.

Swap Provider Default means, in relation to a Swap Agreement, the occurrence of an Event of Default (as defined in such Swap Agreement) where the relevant Swap Provider is the Defaulting Party (as defined in such Swap Agreement), other than a Swap Provider Downgrade Event.

Swap Providers means the Interest Rate Swap Provider and the Covered Bond Swap Providers, and each a **Swap Provider**.

Swap Rate means in relation to a Covered Bond or Series of Covered Bonds, the exchange rate specified in the Covered Bond Swap Agreement as detailed in the section "*Overview of the Principal Documents – Swap Agreements – Covered Bond Swap Agreements*" in this Prospectus relating to such Covered Bond or Series of Covered Bonds or, if the Covered Bond Swap Agreement has terminated, the applicable spot rate.

Swaps means the Interest Rate Swap and the Covered Bond Swaps.

Talons has the meaning given to it in the Programme Conditions.

Tax includes all income tax, withholding tax, stamp, registration and other duties, bank accounts debits tax, GST or other goods and services tax and other taxes, levies, imposts, deductions and charges whatsoever (including, in respect of any duty imposed on receipts or liabilities of financial institutions, any amounts paid in respect of them to another financial institution) together with interest on them and penalties with respect to them (if any) and charges, fees or other amounts made on or in respect of them and Taxes or Taxation will be construed accordingly.

Tax Act means the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth).

Tax Authority means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world including the ATO.

Temporary Bearer Global Covered Bond means a temporary bearer global covered bond in the form or substantially in the form set out in Part 1 (Form of Temporary Bearer Global Covered Bond) of schedule 4 to the Bond Trust Deed together with the copy of the applicable Final Terms (or, in the case of Exempt Covered Bonds, the applicable Pricing Supplement) annexed thereto with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the Relevant Dealer(s), comprising some or all of the Covered Bonds of the same series, issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the Relevant Dealer(s) relating to the Programme, the Principal Agency Agreement and the Bond Trust Deed.

Term Advance Notice means a term advance notice substantially in the form of schedule 1 to the Intercompany Loan Agreement.

Term Advances means advances made or to be made by the Intercompany Loan Provider to the Covered Bond Guarantor under the Intercompany Loan Agreement, and each a **Term Advance**.

Terms Agreement means an agreement supplemental to the U.S. Distribution Agreement (by whatever name called) in or substantially in the form set out in exhibit C of the U.S. Distribution Agreement or in such other form as may be agreed between the Issuer and the Lead Manager or one or more Dealers (as the case may be).

Third Party Amounts means each of:

(a) payments by a Borrower of any fees (including Break Costs) and other charges which are due to the Seller (but not including interest payable on the Mortgage Loans); and

(b) any amount received from a Borrower for the express purpose of payment being made to a third party for the provision of a service (including giving insurance cover) to any of that Borrower, the Seller or the Covered Bond Guarantor,

which amounts, if received by the Covered Bond Guarantor, may be paid daily from moneys on deposit in the GIC Account.

Tranche means Covered Bonds (other than N Covered Bonds) which are identical in all respects (including as to listing).

Transaction Party means any person who is a party to a Programme Document and **Transaction Parties** means some or all of them.

Transfer Agent means Deutsche Bank, Luxembourg, S.A. or any other person from time to time appointed to perform the role of transfer agent under the Principal Agency Agreement.

Transitional Act means the National Consumer Credit Protection (Transitional and Consequential Provisions) Act 2009 (Cth).

Treasury means the U.S. Department of Treasury.

Trust means the trust known as the "CBA Covered Bond Trust" formed under the Establishment Deed.

Trust Accounts means the GIC Account, the Swap Collateral Cash Account and the OC Account, each a **Trust Account**.

Trust Further Advance has the meaning given to it in the section "*Overview of the Principal Documents – Mortgage Sale Agreement – Further Advances*" in this Prospectus.

Trust Manager means SASPL, or any other person from time to time appointed to perform the role of trust manager under the Management Agreement.

Trust Manager Default means the occurrence of any of the following events:

(a) an Insolvency Event occurs in relation to the Trust Manager;

(b) the Trust Manager has breached its obligations as Trust Manager under a Programme Document to which it is expressed to be a party (other than an obligation which depends upon information provided by, or action taken by, the Servicer and the Trust Manager has not received the information, or the action has not been taken, which is necessary for the Trust Manager to perform the obligation) and such breach, as determined by the Security Trustee, acting on the directions of:

(i) the Bond Trustee (subject to the provisions of the Bond Trust Deed), if any Covered Bonds are outstanding, is or, if continued, will be materially prejudicial to the Covered Bondholders; or

(ii) the Majority Secured Creditors, if no Covered Bonds are outstanding, is or, if continued, will be materially prejudicial to the Secured Creditors,

and:

(iii) that breach is not remedied to the Security Trustee's satisfaction within 20 Local Business Days after receipt by the Trust Manager of a notice in writing, from the Security Trustee, requiring it to be remedied; or

(iv) the Trust Manager has not paid compensation to the Covered Bond Guarantor for its loss from such breach in an amount satisfactory to the Security Trustee (acting reasonably);

(c) the Trust Manager fails to direct the Covered Bond Guarantor to make any payment the Covered Bond Guarantor is required to make under this document or any other Programme Documents and such failure is not remedied within a period of 5 Local Business Days after the date on which the Trust Manager is notified, or otherwise becomes aware, of the failure; or

(d) any representation, warranty, certification or statement made by the Trust Manager (in its capacity as Trust Manager) in a Programme Document to which it is expressed to be a party, or in any document provided by it in connection with a Programme Document, proves to have been incorrect when made, or is incorrect when repeated, in a manner which, as determined by the Security Trustee, acting on the directions of:

(i) the Bond Trustee (subject to the provisions of the Bond Trust Deed), if there are Covered Bonds outstanding, is materially prejudicial to the Covered Bondholders; or

(ii) the Majority Secured Creditors, if there are no Covered Bonds outstanding, is materially prejudicial to the Secured Creditors,

and that breach is not remedied to the Security Trustee's satisfaction (acting on the directions of the relevant instructing party referred to in paragraph (i) or (ii) above) within 60 Local Business Days after receipt by the Trust Manager of a notice in writing, from the Security Trustee, requiring it to do so.

Trust Payment Period means the period from (and including) a Distribution Date (or the first Settlement Date in the case of the first Trust Payment Period) to (but excluding) the next Distribution Date.

UK CRA Regulation means Regulation (EC) No. 1060/2009 as it forms part of domestic law in the UK by virtue of the EUWA.

Unit means each Income Unit and each Capital Unit.

Unit Register means the register of Unitholders in the Trust maintained in accordance with the Establishment Deed.

Unit Transfer means a transfer of a Unit in the form as may be agreed from time to time between the Trust Manager and the Covered Bond Guarantor (acting reasonably).

Unitholder at any given time means the person then appearing in the Unit Register as a holder of a Unit.

U.S. Distribution Agreement means the amended and restated distribution agreement dated 29 August 2012 (as the same may be further amended and/or supplemented and/or restated from time to time), entered into by the Issuer, the Covered Bond Guarantor and the Dealers to agree a basis upon which the Dealer(s) or any of them may from time to time agree to subscribe for, offer or place Rule 144A Covered Bonds.

U.S. Paying Agent means Deutsche Bank Trust Company Americas.

U.S. Registrar means Deutsche Bank Trust Company Americas.

U.S. Transfer Agent means Deutsche Bank Trust Company Americas.

Vesting Date means, in relation to the Trust, the earliest of:

(a) the day preceding the 80th anniversary of the Programme Date;

(b) the date upon which the Trust terminates by operation of law or in accordance with the Establishment Deed; and

(c) following the occurrence of a Covered Bond Guarantor Event of Default, the date on which the Security Trustee has notified the Covered Bond Guarantor in writing that it has enforced the Security and has distributed all of the amounts which it is required to distribute under the Security Deed.

wilful default in relation to the Covered Bond Guarantor or the Security Trustee means any intentional failure to comply, or intentional breach, by the defaulting party of any of its obligations under the Programme Documents, other than a failure or breach which:

(a) is in accordance with a lawful court order or direction or otherwise required by law; or

(b) is in accordance with a proper instruction or direction from any person (other than the defaulting party) permitted to give such instruction or direction to the defaulting party under the Programme Documents; or

(c) arose as a result of a breach by any person (other than the defaulting party) of any of its obligations under the Programme Documents and performance of the action (or non-performance of which gave rise to such breach) is a precondition to the defaulting party performing its obligations under the Programme Documents.

Yield Shortfall has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Yield Shortfall Test*" in this Prospectus.

Yield Shortfall Test has the meaning given to it in the section "*Overview of the Principal Documents – Servicing Deed – Yield Shortfall Test*" in this Prospectus.

DIRECTORY

THE ISSUER

Commonwealth Bank of Australia
Commonwealth Bank Place South
Level 1, 11 Harbour Street
Sydney NSW 2000
Australia

COVERED BOND GUARANTOR

Perpetual Corporate Trust Limited
Level 14
123 Pitt Street
Sydney NSW 2000
Australia

ARRANGER

Commonwealth Bank of Australia
Commonwealth Bank Place South
Level 1, 11 Harbour Street
Sydney NSW 2000
Australia

DEALERS

Bank of Montreal, London Branch
6th Floor, 100 Broadgate
Liverpool Street
London EC2M 2AU
United Kingdom

Barclays Bank PLC
1 Churchill Place
London E14 5HP
United Kingdom

BNP PARIBAS
16, boulevard des Italiens
75009 Paris
France

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Commonwealth Bank of Australia
Commonwealth Bank Place North
Level 8, 11 Harbour Street
Sydney NSW 2000
Australia

Crédit Agricole Corporate and Investment Bank
30th Floor, Two Pacific Place
88 Queensway
Hong Kong

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Federal Republic of Germany

DZ BANK AG
Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany

Goldman Sachs International
Plumtree Court
25 Shoe Lane
London EC4A 4AU
United Kingdom

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Landesbank Baden-Württemberg
Am Hauptbahnhof 2
70173 Stuttgart
Germany

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

Natixis
7, promenade Germaine Sablon
75013 Paris
France

Nomura International plc
1 Angel Lane
London EC4R 3AB
United Kingdom

RBC Europe Limited
100 Bishopsgate
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