

27 August 2003

CAPITAL MARKETS AMENDMENT TO PRODUCT TERMS

You may be aware of recent amendments to Corporations Law in the form of the Financial Services Reform Act (FSRA). The FSRA introduces a new regulatory framework for financial services providers. The amendments to the Act include a new disclosure regime for financial products and impose standards of conduct for financial services providers dealing with Retail clients.

One of the tests under the Act for determining the retail classification is based on the value of the transaction. We believe the majority of the Capital Markets transactions dealt by our clients exceed the minimum levels specified by the Act.

Accordingly, as of 1 October 2003 ANZ Investment Bank will be offering and advising on Capital Markets products under the following terms:

Interest Rate Products

- All derivative instruments must have a notional value greater than \$500,000.
In the event that you wish to receive advice or transact in derivatives with a notional value of less than or equal to \$500,000, then an exemption from these terms for a specific transaction will be considered on written request to your Capital Markets Representative. Necessary documentation under the Corporations Act will be provided to you upon approval.
- Packaged lending facilities continue to be available to our client base for amounts greater than \$100,000.

Short Term Money Market Deposits

- 11am deposits, 7 day/24 hour deposits and term deposits less than 2 years continue to be available for amounts of \$250,000 or more.
- Term Deposits for terms 2 years or more are only available for amounts greater than \$500,000.

Negotiable Certificates of Deposit

- Negotiable Certificates of Deposit are available for investments (settlement value) greater than \$500,000.

Securities (eg. Electronic Promissory Notes, Corporate bonds, etc)

- Securities are available for investments (settlement value) greater than \$500,000.

Bank Bills

- Bank bills remain available for investments greater than \$100,000.

Please note that all further discussions with you about these products will presume a transaction size as described above.

Please contact your ANZ Capital Markets' Representative, should you have any queries.