

Fixed Rate Subordinated Notes (Subject to Conversion)

[Face of Security]

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM IN ACCORDANCE WITH THE CERTIFICATE OF AUTHORIZATION RELATING TO THE SECURITIES OF THE SERIES AND THE FISCAL AGENCY AGREEMENT HEREINAFTER REFERRED TO, COPIES OF WHICH ARE AVAILABLE FOR INSPECTION AT THE CORPORATE TRUST OFFICE OF THE FISCAL AGENT HEREINAFTER REFERRED TO. THE EXEMPTION PROVIDED BY RULE 144A UNDER THE ACT MAY BE AVAILABLE TO PERMIT SALE OR TRANSFER OF THIS SECURITY TO QUALIFIED INSTITUTIONAL BUYERS (WITHIN THE MEANING OF RULE 144A) WITHOUT REGISTRATION.

EACH PURCHASER OF THIS SECURITY REPRESENTS ON ITS OWN BEHALF AND ON BEHALF OF ANY ACCOUNT FOR WHICH IT IS PURCHASING THIS SECURITY THAT IT WILL OFFER, SELL OR OTHERWISE TRANSFER THIS SECURITY (A) ONLY IN MINIMUM PRINCIPAL AMOUNTS OF U.S.\$200,000 (OR THE EQUIVALENT THEREOF IN ANOTHER CURRENCY OR COMPOSITE CURRENCY) AND (B) PRIOR TO THE DATE THAT IS ONE YEAR AFTER THE LATER OF (1) THE ISSUE DATE OF THIS SECURITY AND (2) THE LAST DATE ON WHICH AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED (THE "ISSUER") OR ANY AFFILIATE WAS THE BENEFICIAL OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) ONLY (A) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT PROVIDED BY EITHER RULE 144A OR REGULATION S THEREUNDER (B) TO THE ISSUER OR ANY OF ITS SUBSIDIARIES OR AN AGENT THAT IS A PARTY TO THE AMENDED AND RESTATED DISTRIBUTION AGREEMENT, DATED NOVEMBER 15, 2013, AMONG THE ISSUER AND THE AGENTS NAMED THEREIN OR (C) PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS AS CONFIRMED IN AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER.

THE FOREGOING LEGENDS MAY BE REMOVED FROM THIS SECURITY ON THE CONDITIONS SPECIFIED IN THE CERTIFICATE OF AUTHORIZATION RELATING TO THE SECURITIES OF THIS SERIES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN EXCHANGE FOR THIS CERTIFICATE OR ANY PORTION HEREOF IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC, **ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON OTHER THAN DTC OR OTHERWISE IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.**

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE FISCAL AGENCY AGREEMENT REFERRED TO HEREINAFTER. THIS GLOBAL SECURITY MAY NOT BE EXCHANGED, IN WHOLE OR IN PART, FOR A SECURITY REGISTERED IN THE NAME OF ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES SET FORTH IN SECTION 5(b) OF THE FISCAL AGENCY AGREEMENT, AND MAY NOT BE TRANSFERRED, IN WHOLE OR IN PART, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 6(b) OF THE FISCAL AGENCY AGREEMENT. BENEFICIAL INTERESTS IN THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH SECTION 6(b) OF THE FISCAL AGENCY AGREEMENT.

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No. R-1- 2014
CUSIP: 052528AH9
ISIN: US052528AH96

INITIAL PRINCIPAL AMOUNT:

US\$500,000,000

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED
(ABN 11 005 357 522)

FIXED RATE SUBORDINATED NOTE
(Subject to Conversion)

SPECIFIED CURRENCY —
PRINCIPAL: US Dollars

REDEMPTION
PERIOD: N/A

SPECIFIED CURRENCY —
INTEREST: US Dollars

REDEMPTION COMMENCEMENT
DATE: Not Applicable

OPTION TO RECEIVE PAYMENT IN
SPECIFIED CURRENCY: N/A

REDEMPTION PRICES: Par

ISSUE DATE: March 19, 2014

DENOMINATIONS: Minimum
denomination of US\$200,000 and any
integral multiple of US\$1,000 thereafter

INTEREST RATE: 4.500%

ALTERNATIVE DAY COUNT
CONVENTION: 30/360, unadjusted

INTEREST PAYMENT DATES: March 19 and
September 19 of each year, commencing on
September 19, 2014, and ending on the Stated
Maturity Date

EXCHANGE RATE: Not Applicable

EXCHANGE RATE
AGENT: Not Applicable

STATED
MATURITY: March 19, 2024

NON-VIABILITY OPTION: Option 1 (section
8A.2) applies

COVENANT DEFEASANCE PROVISIONS DO NOT APPLY

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OTHER TERMS: See Addendum Attached

Terms left blank or marked “*N/A*”, “*No*”, “*None*” or in a similar manner do not apply to this Security except as otherwise may be specified.

Whenever used in this Security, the terms specified above that apply to this Security have the meanings specified above, unless the context requires otherwise. Other terms used in this Security that are not defined herein but that are defined in the Fiscal Agency Agreement referred to in Section 1 on the reverse of this Security are used herein as defined therein.

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Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), a corporation incorporated under the laws of the Commonwealth of Australia (herein called the “*Issuer*”, which term includes any successor person hereinafter referred to), for value received, subject to the terms hereof, hereby promises to pay to Cede & Co., or registered assigns, the Initial Principal Amount specified above (such Initial Principal Amount, as it may from time to time be adjusted by endorsement on Schedule B hereto or, reduced due to Conversion or Write-Off in accordance with Condition 8A.2 or 8A.3, is hereinafter referred to as the “*Principal Amount*”) in the Specified Currency specified above on the Stated Maturity specified above, or such earlier date as the principal of this Security or one or more predecessor Securities may become due in accordance with the terms hereof (each such date being hereinafter referred to as “maturity” with respect to the principal repayable on such date), and to pay interest on such Principal Amount, from the Issue Date specified above or from the most recent Interest Payment Date to which interest on this Security (or any predecessor Security) has been paid or duly provided for in arrears on such Interest Payment Dates specified on the face hereof (each an “*Interest Payment Date*”) and at maturity, at a rate per annum equal to the Interest Rate specified on the face hereof (the “*Interest Rate*”), until the principal hereof is paid or duly made available for payment or reduced to zero due to such Conversion or Write-Off, and at the rate then accruing on this Security on any overdue premium or installment of interest.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on the fifteenth day (whether or not a Business Day as hereinafter defined) next preceding such Interest Payment Date (a “*Regular Record Date*”); *provided, however*, that interest payable at maturity but on a day that is not an Interest Payment Date will be payable to the person to whom principal (and premium, if any) shall be payable; and, *provided, further*, that if the Issue Date is after a Regular Record Date and before the next succeeding Interest Payment Date, the first payment of interest shall be payable on the Interest Payment Date following the next succeeding Regular Record Date to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on such next succeeding Regular Record Date.

Any such interest which is payable, but not punctually paid or duly provided for, on any Interest Payment Date will forthwith cease to be payable to the holder on such Regular Record Date and such defaulted interest may either be paid to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Issuer, notice whereof shall be given to the holder of this Security by the Issuer or by the Fiscal Agent on the instruction of and on behalf of the Issuer not less than 10 days prior to such special record date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which this Security may be listed, and upon such notice as may be required by such exchange.

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Unless the holder hereof is entitled to make, and has made a Specified Currency Payment Election (as hereinafter defined), payment of principal of (and premium, if any) and interest on this Security will be made in U.S. dollars in amounts converted from the Specified Currency determined as set forth below. The ***Specified Currency*** for any payment shall be the currency specified as such on the face of this Security unless, at the time of such payment, such currency is not legal tender for the payment of public and private debts in the country issuing such currency on the Issue Date, in which case the Specified Currency for such payment shall be such coin or currency as at the time of such payment is legal tender for the payment of public and private debts in such country, except as provided in the next sentence. If the euro is specified on the face of this Security as the Specified Currency for any payment, the Specified Currency for such payment shall be such coin or currency as at the time of payment is legal tender for the payment of public and private debts in all EMU Countries (as defined in Section 3 on the reverse hereof), provided that, if on any day there are not at least two EMU Countries, or if on any day there are at least two EMU Countries but no coin or currency is legal tender for the payment of public and private debts in all EMU Countries, then the Specified Currency for such payment shall be deemed not to be available to the Issuer on such day for the purposes of the seventh succeeding paragraph.

Principal of (and premium, if any, on) this Security shall be payable against surrender hereof at the corporate trust office of the Fiscal Agent hereinafter referred to or at such other offices or agencies as the Issuer may designate and notify the holders as provided in Section 4 on the reverse hereof and at the offices of such other Paying Agents as the Issuer shall have appointed pursuant to the Fiscal Agency Agreement (each a "***Place of Payment***"). Payments of interest on this Security shall be made, in accordance with the foregoing and subject to applicable laws and regulations, by check mailed on or before the due date for such payment to the person entitled thereto at such person's address appearing on the aforementioned register or, in the case of payments of principal (and premium, if any) to such other address as the registered holder may specify upon such surrender; ***provided, further***, that any payments shall be made, in the case of a registered holder of at least U.S.\$5,000,000 aggregate Principal Amount of Securities, by wire transfer to an account maintained by the payee with a bank located in The City of New York if such registered holder so elects by giving notice to the Fiscal Agent, not less than 5 Business Days (or such fewer days as the Fiscal Agent may accept at its discretion) prior to the date of the payments to be obtained of such election and of the account to which payments are to be made. Any such transfer instructions received by the Fiscal Agent shall be in effect until revoked by the holder.

No payment of principal, premium or interest in respect of this Security shall be made at any office or agency of the Issuer in the Commonwealth of Australia or by check mailed to any address in the Commonwealth of Australia or by transfer to an account maintained with a bank located in the Commonwealth of Australia.

If the holder of this Security shall not have duly made an election to receive all or a portion of any payment of principal, premium, if any and/or interest in

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respect of this Security as described in the next succeeding paragraph, where the Specified Currency is not U.S. dollars, any U.S. dollar amount to be received shall be calculated by the Exchange Rate Agent specified on the face hereof (the “*Exchange Rate Agent*”, which term includes any successor person hereinafter referred to) at approximately 11:00 A.M., The City of New York time, on the second Business Day preceding the applicable payment date by reference to quotations from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Issuer for the purchase by the quoting dealer of the Specified Currency for U.S. dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all holders of Securities scheduled to receive U.S. dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs shall be borne by the holder of this Security by deductions from such payments. If three such bid quotations are not available, payments on this Security shall be made in the Specified Currency.

Unless otherwise indicated herein, if the Specified Currency is other than U.S. dollars, the holder of this Security may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Security in the Specified Currency (a “*Specified Currency Payment Election*”) by submitting a written request for such payment to the Fiscal Agent at its corporate trust office in The City of New York on or prior to the applicable Regular Record Date or at least 15 calendar days prior to the payment of any principal or premium, as the case may be. Such written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. The holder of this Security may elect to receive all or a specified portion of all future payments in the Specified Currency in respect of such principal, premium, if any, and/or interest and need not file a separate election for each payment. Such election shall remain in effect until revoked by written notice to the Fiscal Agent, but written notice of any such revocation must be received by the Fiscal Agent on or prior to the Regular Record Date or at least 16 calendar days prior to the payment of any principal or premium, as the case may be.

If the Specified Currency is a currency other than U.S. dollars, and a Specified Currency Payment Election is duly made pursuant to the preceding paragraph, the Issuer will make payments by wire transfer of immediately available funds to any account that is maintained in the applicable Specified Currency at a bank designated by the holder and is acceptable to the Issuer and the Paying Agent. To designate an account for wire payment, the holder, as of the applicable Regular Record Date, must give the Paying Agent appropriate wire instructions at least 5 Business Days before the requested wire payment is due. In the case of any interest payment due on an Interest Payment Date, the instructions must be given by the person or entity who is the holder on the Regular Record Date. In the case of any other payment, the payment will be made only after this Security is surrendered to the Paying Agent. Any instructions, once properly given, will remain in effect unless and until new instructions are properly given in the manner described above.

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The Issuer covenants that until this Security has been delivered to the Fiscal Agent for cancellation, or monies sufficient to pay the principal of (and premium, if any, on) and interest on this Security have been made available for payment and either paid or returned to the Issuer as provided herein, it will at all times maintain a Paying Agent and Transfer Agent with offices or agencies in the Borough of Manhattan, The City of New York for the payment of the principal of (and premium, if any, on) and interest on the Securities as herein provided.

Notwithstanding the foregoing, if any amount payable on this Security is payable on any day (including at maturity) in a Specified Currency other than U.S. dollars, and if such Specified Currency is not available to the Issuer on the two Business Days before such day, due to the imposition of exchange controls, disruption in a currency market or any other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligation to pay such amount in such Specified Currency by making such payment in U.S. dollars. The amount of such payment in U.S. dollars shall be determined by the Exchange Rate Agent on the basis of the noon buying rate for cable transfers in The City of New York for such Specified Currency (the “**Exchange Rate**”) as of the latest day before the day on which such payment is to be made. Any payment made under such circumstances in U.S. dollars where the required payment is in other than U.S. dollars will not constitute an Event of Default under this Security.

The Issuer agrees to indemnify the holder of any Security against any loss incurred by such holder as a result of any judgment or order being given or made against the Issuer for any amount due hereunder and such judgment or order requiring payment in a currency (the “**Judgment Currency**”) other than the Specified Currency, and as a result of any variation between (i) the rate of exchange at which the Specified Currency amount is converted into the Judgment Currency for the purpose of such judgment or order and (ii) the rate of exchange at which such holder, on the date of payment of such judgment or order, is able to purchase the Specified Currency with the amount of the Judgment Currency actually received by such holder. The foregoing indemnity constitutes a separate and independent obligation of the Issuer and continues in full force and effect notwithstanding any such judgment or order as aforesaid. The term “rate of exchange” includes any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency.

Notwithstanding any provisions to the contrary contained herein, if the face of this Security specifies that an Addendum is attached hereto or that “**Other Terms**” apply, this Security shall be subject to the terms set forth in such Addendum or such “Other Terms”.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof or, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same effect as if set forth at this place.

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Unless the certificate of authentication hereon has been executed by the Fiscal Agent by manual signature, this Security shall not be valid or obligatory for any purpose.


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IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

Dated: March 19, 2014

AUSTRALIA AND NEW ZEALAND BANKING
GROUP LIMITED

By


Name: ADRIAN WENT
Title: ACTING GROUP TREASURER

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein and referred to in the within-mentioned Fiscal Agency Agreement.

THE BANK OF NEW YORK MELLON
as Fiscal Agent

By


Authorized Signatory

Dated: March 19, 2014

Ariens Thelwell
Vice President

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Australia and New Zealand Banking Group Limited

[Reverse of Fixed Rate Subordinated Notes (Subject to Conversion)]

- 1 This Security is one of a duly authorized issue of securities of the Issuer (herein called the “**Securities**”), issued and to be issued in one or more series in accordance with an Amended and Restated Fiscal Agency Agreement, dated as of March 11, 2014 (as amended, from time to time, herein called the “**Fiscal Agency Agreement**”), between the Issuer and The Bank of New York Mellon, as Fiscal Agent (herein called the “**Fiscal Agent**”, which term includes any successor fiscal agent under the Fiscal Agency Agreement), to which Fiscal Agency Agreement reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Issuer, the Fiscal Agent and the holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. Copies of the Fiscal Agency Agreement are on file and available for inspection at the corporate trust office of the Fiscal Agent in the Borough of Manhattan, The City of New York. This Security is one of the series (this “**series**”) designated on the face hereof, limited in aggregate Principal Amount to U.S.\$25,000,000,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) outstanding at any one time (which amount may be increased at the option of the Issuer if in the future it determines that it may wish to sell additional Securities of this series).

The Securities of this series are unsecured, direct, subordinated and general obligations of the Issuer and will rank in a Winding Up of the Issuer behind all claims of Other Creditors (as defined in Section 7), and, subject to Section 8A, *pari passu* with Equal Ranking Securities (as defined in Section 7) and ahead of Junior Ranking Securities (as defined in Section 7). The Securities of this series will not constitute deposit liabilities or protected accounts of the Issuer in the Commonwealth of Australia for the purposes of the Banking Act 1959 of the Commonwealth of Australia and are not insured by the Federal Deposit Insurance Corporation or any other government, governmental agency or compensation scheme of Australia, the United States or any other jurisdiction or by any party.

- 2 The Securities of this series are issuable in fully registered form and rank *pari passu* without any discrimination, preference or priority among them whatsoever. Unless otherwise specified on the face of the Security, the Securities of this series are issuable in the authorized minimum denomination of U.S.\$200,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) and integral multiples of U.S.\$1,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) above that amount.
- 3 The interest payable on any Interest Payment Date shall be the amount of interest accrued from, and including, the immediately preceding Interest Payment Date to

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which interest has been paid or duly provided for (or, if no interest has yet been paid, from and including the Issue Date), to, but excluding, such Interest Payment Date or the Stated Maturity or such earlier date as the Principal Amount shall become due in accordance with the terms hereof, as the case may be.

Payments of interest hereon with respect to any Interest Payment Date or at maturity will include interest accrued to but excluding such Interest Payment Date or such maturity date, as the case may be. Interest hereon shall be computed on the basis of a 360-day year of twelve 30-day months unless an Alternative Day Count Convention is specified on the face hereof.

Unless otherwise specified on the face hereof, if any Interest Payment Date for this Security falls on a day that is not a Business Day, the interest payment shall be postponed to the next succeeding Business Day, and no interest on such payment shall accrue for the period from and after the Interest Payment Date. If the maturity date or any earlier redemption date with respect to this Security falls on a day that is not a Business Day, the payment of principal, premium, if any, and interest otherwise due on such day will be made on the next succeeding Business Day, and no interest on such payment shall accrue for the period from and after such maturity date or redemption date, as the case may be.

Unless otherwise specified on the face hereof: “Business Day”:

- (a) for the purposes of Sections 8A.1 to 8A.4 and, if Option 1 (Section 8A.2) applies to this Security, Section 9A, means a day which is a business day within the meaning of the listing rules of the Australian Securities Exchange, or any successor (“**ASX**”) as amended, varied or waived (whether in respect of the Issuer or generally) from time to time (“**ASX Listing Rules**”); and
- (b) for all other purposes of this Security, means each Monday, Tuesday, Wednesday, Thursday and Friday that (i) is not a day on which banking institutions in The City of New York or the City of Sydney, Australia generally are authorized or obligated by law, regulation or executive order to close, (ii) if the Specified Currency for any payment on this Security is other than U.S. dollars or euros, is not a day on which banking institutions in the Principal Financial Center (as defined below) of the country issuing such Specified Currency generally are authorized or obligated by law, regulation or executive order to close, (iii) if the Specified Currency for any payment on this Security is euros, is a Euro Business Day (as defined below) and (iv) solely with respect to any payment or other action to be made or taken at any Place of Payment outside The City of New York, is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in such

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Place of Payment generally are authorized or obligated by law, regulation or executive order to close.

“***Euro Business Day***” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor system, is open for business.

“***Principal Financial Center***” means the capital city of the country issuing the Specified Currency, except, with respect to Australian dollars, Canadian dollars, New Zealand dollars, South African rand and Swiss francs, the Principal Financial Center shall be Sydney, Toronto, Auckland, Johannesburg and Zurich, respectively.

References in this Security to “***U.S. dollars***” shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in the United States of America.

References in this Security to the “***euro***” shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in all EMU Countries. “***EMU Countries***” means, at any time, the countries then participating in the European Economic and Monetary Union (or any successor union) that, as of that time, have adopted a single currency pursuant to the Treaty on European Union of February 1992 (or any successor treaty), as it may be amended from time to time.

References in this Security to a particular currency other than U.S. dollars and euros shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in the country issuing such currency on the Issue Date.

If the Specified Currency for any payment on this Security is other than U.S. dollars, the Issuer has initially appointed the institution named on the face of this Security as Exchange Rate Agent to act as such agent with respect to this Security, but the Issuer may, in its sole discretion, appoint any other institution (including any affiliate of the Issuer) to serve as such agent from time to time. The Issuer will give the Fiscal Agent prompt written notice of any change in any such appointment. Insofar as this Security provides for any such agent to obtain rates, quotes or other data from a bank, dealer or other institution for use in making any determination hereunder, such agent may do so from any institution or institutions of the kind contemplated hereby notwithstanding that any one or more of such institutions are any such agent, affiliates of any such agent or affiliates of the Issuer.

All determinations made by the Exchange Rate Agent may be made by such agent in its sole discretion and, absent manifest error, shall be conclusive for all purposes and binding on the holder of this Security and the Issuer. The Exchange Rate Agent shall not have any liability therefor.

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- 4 The Issuer shall maintain in the Borough of Manhattan, The City of New York, an office or agency where Securities of this series may be surrendered for registration of transfer or exchange. The Issuer has initially appointed the corporate trust office of the Fiscal Agent in the Borough of Manhattan, The City of New York, as its agent (a “*Transfer Agent*”) for such purpose and has agreed to cause to be kept at such office a register in which, subject to such reasonable regulations as it may prescribe, the Issuer will provide for the registration of Securities and registration of transfers of Securities. The Issuer reserves the right to vary or terminate the appointment of the Fiscal Agent as security registrar or of any Transfer Agent or to appoint additional or other registrars or Transfer Agents or to approve any change in the office through which any security registrar or any Transfer Agent acts, provided that there will at all times be a security registrar in the Borough of Manhattan, The City of New York.

The transfer of this Security is registrable on the aforementioned register upon surrender of this Security at the corporate trust office of the Fiscal Agent or any Transfer Agent duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the registered holder thereof or his attorney duly authorized in writing. Upon such surrender of this Security for registration of transfer, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of like tenor and form, dated the date of authentication thereof, of an authorized denomination or authorized denominations and of a like aggregate Principal Amount.

At the option of the registered holder upon request confirmed in writing, Securities may be exchanged for Securities of an authorized denomination or authorized denominations and of a like tenor, form and aggregate Principal Amount upon surrender of the Securities to be exchanged at the office of any Transfer Agent or at the corporate trust office of the Fiscal Agent. Whenever any Securities are so surrendered for exchange, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver, the Securities which the registered holder making the exchange is entitled to receive. Any registration of transfer or exchange will be effected upon the Transfer Agent or the Fiscal Agent, as the case may be, being satisfied with the documents of title and identity of the person making the request and subject to such reasonable regulations as the Issuer may from time to time agree with the Transfer Agents and the Fiscal Agent.

In the event of a redemption of the Securities in part, the Issuer shall not be required (i) to register the transfer of or exchange any Security during a period beginning at the opening of business 15 calendar days before, and continuing until, the date notice is given identifying the Securities to be redeemed, or (ii) to register the transfer of or exchange any Security, or portion thereof, called for redemption.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Issuer, evidencing the same debt, and

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entitled to the same benefits, as the Securities surrendered upon such registration of transfer or exchange. No service charge shall be made for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith, other than an exchange in connection with a partial redemption of a Security not involving any registration of a transfer.

Prior to due presentment of this Security for registration of transfer, the Issuer, the Fiscal Agent and any agent of the Issuer or the Fiscal Agent may treat the person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Issuer nor the Fiscal Agent or any such agent shall be affected by notice to the contrary.

5 The Issuer shall pay to the Fiscal Agent at its principal corporate trust office in the Borough of Manhattan, The City of New York, on or prior to each Interest Payment Date, any Redemption Date and the maturity date of this Security, in such amounts sufficient (with any amounts then held by the Fiscal Agent and available for the purpose) to pay the interest on, the redemption price of and accrued interest (if the Redemption Date is not an Interest Payment Date) on, and the principal of, the Securities due and payable on such Interest Payment Date, Redemption Date or maturity date, as the case may be. The Fiscal Agent shall apply the amounts so paid to it to the payment of such interest, redemption price and principal in accordance with the terms of the Fiscal Agency Agreement and this Security.

Any monies paid by the Issuer to a Paying Agent for the payment of the principal of (and premium, if any) or interest on any Securities and remaining unclaimed at the end of two years after such principal, premium or interest shall have become due and payable (whether at maturity, upon call for redemption or otherwise) shall then be repaid (without interest) to the Issuer, and upon such repayment all liability of the Fiscal Agent with respect thereto shall cease, without, however, limiting in any way any obligation the Issuer may have to pay the principal of (and premium, if any) and interest on this Security as the same shall become due.

6 (a) All payments of, or in respect of, principal of, and any premium and interest on this Security will be made without withholding or deduction for, or on account of, any taxes, assessments or other governmental charges (“**Relevant Tax**”) imposed or levied by or on behalf of Australia or any political subdivision or taxing authority in or of Australia and/or where the Issuer is acting through a branch, the jurisdiction in which the branch is located or any political subdivision or taxing authority in or of that jurisdiction (each a “**Relevant Jurisdiction**”) unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts of, or in respect of, the principal of, and any premium and interest on, this Security (“**Additional Amounts**”) as will result (after deduction of such taxes, duties, assessments or governmental charges and

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any additional taxes, duties, assessments or governmental charges payable in respect of such Additional Amounts) in the payment to the holder of this Security of the amounts which would have been payable in respect of this Security had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

- (i) to the extent that the Relevant Tax is imposed or levied by virtue of the holder, or the beneficial owner, of this Security having some connection (whether present, past or future) with a Relevant Jurisdiction, other than mere receipt of such payment or being a holder, or the beneficial owner, of this Security;
- (ii) to the extent that the Relevant Tax is imposed or levied by virtue of the holder, or the beneficial owner, of this Security not complying with any statutory requirements or not having made a declaration of non-residence in, or lack of connection with, a Relevant Jurisdiction or any similar claim for exemption (including supplying an appropriate tax file number or Australian Business Number), if the Issuer, or any other agent of the Issuer, has provided a holder, or beneficial owner, of this Security with at least 60 days' prior written notice of an opportunity to comply with such statutory requirements or make a declaration or claim;
- (iii) to the extent that the Relevant Tax is imposed or levied by virtue of a holder, or beneficial owner, of this Security having presented for payment more than 30 days after the date on which the payment in respect of this Security first became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (iv) to the extent that the Relevant Tax is imposed or levied by virtue of a holder of this Security being an Offshore Associate of the Issuer (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of the Commonwealth of Australia). "*Offshore Associate*" means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 of the Commonwealth of Australia and successor legislation) of the Issuer that is either a non-resident of Australia which does not acquire this Security in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires this Security in carrying on business at or through a permanent establishment outside of Australia;
- (v) to the extent that the Relevant Tax is imposed or levied as a result of the holder being party to or participating in a scheme which had the dominant purpose of avoiding tax, being a scheme which the Issuer was neither a party to nor participated in;

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- (vi) to the extent that the Relevant Tax is imposed or levied by virtue of a holder, or the beneficial owner, of this Security having presented this Security for payment in a Relevant Jurisdiction, unless this Security could not have been presented for payment elsewhere; or
- (vii) any combination of the above.

In addition, any amounts to be paid on this Security will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (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 intergovernmental agreement 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.

(b) No Additional Amounts shall be paid with respect to any payment of, or in respect of, the principal of, or any premium or interest on, this Security to any such holder who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent such payment would, under the laws of the Commonwealth of Australia or any political subdivision or taxing authority thereof or therein, be treated as being derived or received for tax purposes by a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had it been the holder of this Security.

(c) Whenever in this Security there is mentioned, in any context, any payment of, or in respect of, the principal of, or any premium or interest on, this Security, such mention shall be deemed to include mention of the payment of Additional Amounts provided for in Section 6(a) to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of such Section.

(d) At least 10 days prior to each date on which any payment under or with respect to this Security is due and payable, if the Issuer will be obligated to pay Additional Amounts with respect to such payment, the Issuer will deliver to the Fiscal Agent and the Paying Agent an Officer’s Certificate (as hereinafter defined) stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the Fiscal Agent and such Paying Agent to pay such Additional Amounts to the holders on the payment date; ***provided, however,*** that if 10 days prior to each date on which any such payment is due and payable the amount of such payment has not yet been determined, the Issuer shall notify the Fiscal Agent of such amount promptly after such amount has been determined.

7 (a) Prior to the commencement of a Winding Up of the Issuer (as hereinafter defined) (i) the obligations of the Issuer to make any payment of the principal of, premium (if any) and interest on or any other amounts (including Additional
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Amounts) payable in respect of this Security shall be conditional upon the Issuer being Solvent (as hereinafter defined) at the time the obligation to make such payment falls due and (ii) no payment of principal, premium (if any), interest, Additional Amounts or any other amount payable in respect of this Security shall be made in respect of this Security except to the extent that the Issuer may make any such payment and still be Solvent immediately thereafter.

For the purposes of this Section 7, the Issuer shall be considered to be “Solvent” if (A) the Issuer is able to pay all its debts as and when they become due and payable and (B) the Issuer's assets exceed its liabilities, in each case determined on an unconsolidated stand-alone basis. A certificate as to whether the Issuer is Solvent signed by two authorised officers of the Issuer, an auditor of the Issuer or, if the Issuer is being wound up, its liquidator, shall be conclusive evidence of the information contained therein in the absence of willful default, bad faith or manifest error. Neither the Fiscal Agent nor any Paying Agent is obliged to obtain any such certificate prior to any due date for payment of any amount in respect of this Security or at any other time. In the absence of such a certificate, the Fiscal Agent, each Paying Agent and the holder of this Security shall be entitled to assume (unless the contrary is proved) that the Issuer is Solvent and will be Solvent immediately after any payment referred to above is made.

(b) On the Winding-Up of the Issuer, the rights and claims of the holder of this Security against the Issuer to recover any sums payable in respect of this Security shall be subordinate and junior in right of payment to the obligations of the Issuer to Other Creditors (as hereinafter defined), to the extent that all obligations of the Issuer to Other Creditors shall be entitled to be paid in full prior to any payment of the principal of, premium (if any) or interest on or any other amounts (including Additional Amounts) payable in respect of this Security and, subject to Section 8A, shall rank *pari passu* with Equal Ranking Securities and ahead of Junior Ranking Securities.

(c) If there is a Winding Up in respect of the Issuer and, notwithstanding paragraph (b) above, the Fiscal Agent, the Paying Agent or the holder of this Security receives any payment or distribution of the assets of the Issuer of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Issuer being subordinated to the payment of this Security, before all the claims of Other Creditors are paid in full or payment thereof is duly provided for, and if such fact shall, at or prior to the time of such payment or distribution, have been made known to the Fiscal Agent, the Paying Agent or, as the case may be, the holder of this Security, then and in such event such payment or distribution shall be paid over or delivered forthwith to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other person making payment or distribution of assets of the Issuer for application to the payment of all claims of the Other Creditors remaining unpaid, to the extent necessary to pay all such claims in full, after giving effect to any concurrent payment or distribution to or for the account of the Other Creditors.

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(d) Neither the Issuer nor a holder of this Security has any contractual right to set off any sum at any time due and payable to a holder or the Issuer (as applicable) under or in relation to this Security against amounts owing by the holder to the Issuer or by the Issuer to the holder (as applicable).

(e) On a Winding Up of the Issuer, the holder of this Security shall only be entitled to prove for any sums payable in respect of this Security as a debt which is subject to and contingent upon prior payment in full of the obligations of the Issuer to the Other Creditors, and the holder of this Security waives to the fullest extent permitted by law any right to prove in the Winding Up as a creditor of the Issuer ranking for payment in any other manner.

(f) The provisions of this Section shall not affect or prejudice the payment of any amounts by the Issuer in respect of costs, charges, expenses, liabilities, indemnities or remuneration of the Fiscal Agent or any Paying Agent pursuant to the Fiscal Agency Agreement or the rights and remedies of the Fiscal Agent or the Paying Agent in respect thereof.

(g) For the purposes of this Section 7, “*Other Creditors*” means all present and future creditors of the Issuer (including but not limited to depositors of the Issuer and holders of any other instruments issued before 1 January 2013 as a Tier 2 Capital Security) whose claims (i) would be entitled to be admitted in the Winding Up of the Issuer and (ii) are not in respect of Equal Ranking Securities or Junior Ranking Securities.

(h) For the purposes of this Section 7 and Section 9, “Winding Up” shall mean any procedure whereby the Issuer may be wound-up, dissolved, liquidated or cease to exist as a body corporate whether brought or instigated by a holder of this Security or any other person and whether or not involving insolvency or bankruptcy, but shall exclude any Winding Up under or in connection with a scheme of amalgamation or reconstruction not involving our bankruptcy or insolvency where the obligations of the Issuer are assumed by a successor to which all, or substantially all, of the property, assets and undertaking of the Issuer are transferred or where an arrangement with similar effect not involving a bankruptcy or insolvency is implemented.

(i) For the purposes of this Section 7, “*Equal Ranking Securities*” means any instrument that ranks in a Winding Up of the Issuer as the most junior claim in the Winding Up of the Issuer ranking senior to Junior Ranking Securities, and includes (i) the Perpetual Capital Floating Rate Notes issued under the trust deed dated 30 October 1986 between the Issuer and Bankers Trustee Company Limited, as amended from time to time (except in so far as such amendment is inconsistent with such ranking) and (ii) any other instruments issued after 1 January 2013 as Relevant Tier 2 Securities (as defined in Section 8A.4).

(j) For the purposes of this Section 7, “*Junior Ranking Securities*” means any instrument that (i) qualifies as Tier 1 Capital (as defined in Section 8A.4) or,
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in the case of any instrument issued prior to 1 January 2013, was treated as constituting Tier 1 Capital in accordance with the prudential standards which applied to ANZ prior to 1 January 2013 irrespective of whether or not such instrument is treated as constituting Tier 1 Capital in accordance with any transitional arrangements approved by the Australian Prudential Regulation Authority or any authority succeeding to its powers and responsibilities (“APRA”) and (ii) by its terms is, or is expressed to be, subordinated in a Winding Up of the Issuer to the claims of holders of the Securities of this series and other Equal Ranking Securities.

(k) Any amount not paid due to Section 7(a) or Section 9(d), remains a debt owing to the holder of this Security by the Issuer until it is paid and will be payable on the first date on which payment can be made in compliance with the relevant Section.

8 (a) If specified on the face of this Security and subject to the prior written approval of APRA having been obtained, the Securities of this series may be redeemed, as a whole but not in part, at the option of the Issuer, at a redemption price equal to 100% of the Principal Amount of the Securities to be redeemed together with interest accrued to the date fixed for redemption, if a Regulatory Event occurs, *provided, however*, that (1) the Issuer shall deliver to the holder of this Security an opinion of counsel confirming that the conditions that must be satisfied for such redemption have occurred and (2) the Issuer will not be permitted to redeem this Security unless the Security is replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Security is done under conditions that are sustainable for the Issuer’s income capacity or APRA is satisfied that the Issuer’s capital position is well above its minimum capital requirements after the Issuer elects to redeem this Security. Immediately prior to the giving of any notice of redemption of Securities pursuant to this subsection (b), the Issuer will deliver to the Fiscal Agent an Officer’s Certificate stating that the Issuer is entitled to effect such redemption and setting forth in reasonable detail a statement of facts showing that the conditions precedent to the right of the Issuer to so redeem the Securities have occurred.

For the purposes of this Security, “*Regulatory Event*” shall mean the receipt by the directors of the Issuer of (x) an opinion from a reputable legal counsel that as a result of any amendment to, clarification of or change (including any announcement of a prospective change) in, any law or regulation in any Relevant Jurisdiction, or any official administrative pronouncement or action or judicial decision interpreting or applying such laws or regulations, which amendment, clarification or change is effective, or pronouncement, action or decision is announced, on or after the Issue Date or (y) an official written statement from APRA that, in each case, the Issuer is not or will not be entitled to treat all Securities of a series as Tier 2 Capital (as defined in Section 8A.4), provided that, in each case, on the Issue Date, the Issuer did not expect that matters giving rise to the Regulatory Event would occur.

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For the purposes of this Security, “*Regulatory Capital*” shall mean a Tier 1 Capital Security or a Tier 2 Capital Security.

(b) If a Redemption Commencement Date is specified on the face hereof, this Security is subject to redemption, at any time on or after the Redemption Commencement Date (which may not be before the fifth anniversary of the Issue Date of this Security), as a whole or in part, at the option of the Issuer (but subject to the prior written approval of APRA having been obtained and provided that the Issuer will not be permitted to redeem this Security unless the Security is replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Security is done under conditions that are sustainable for the Issuer’s income capacity or APRA is satisfied that the Issuer’s capital position is well above its minimum capital requirements after the Issuer elects to redeem this Security), at the Redemption Price specified on the face hereof (expressed as a percentage of the Principal Amount of this Security) applicable to the Redemption Period specified on the face hereof, together in the case of any such redemption with accrued interest (unless such date is an Interest Payment Date) to the Redemption Date (but interest installments due on or prior to the Redemption Date will be payable to the holder of record of this Security at the close of business on the relevant record dates).

(c) In the case of any partial redemption of Securities, the Issuer will give the holder written notice of the Principal Amount of the Securities to be redeemed not less than 30 days nor more than 60 days prior to the Redemption Date unless otherwise specified in the relevant Pricing Supplement for the Outstanding Securities of a like tenor not previously called for redemption, by such method as the Fiscal Agent shall deem fair and appropriate and which may provide for the selection for redemption of portions equal to at least the minimum authorized denomination of such Securities.

(d) Notices to redeem Securities shall be given in writing mailed, first-class postage prepaid, to each holder of Securities at his address as it appears in the register hereinabove referred to. Such notice will be given once not more than 60 days nor less than 30 days prior to the date fixed for redemption. If by reason of the suspension of regular mail service, or by reason of any other cause, it shall be impracticable to give notice to the holders of Securities in the manner prescribed herein, then such notification in lieu thereof as shall be made by the Issuer or by the Fiscal Agent on behalf of and at the instruction of the Issuer shall constitute sufficient provision of such notice, if such notification shall, so far as may be practicable, approximate the terms and conditions of the mailed notice in lieu of which it is given. Neither the failure to give notice nor any defect in any notice given to any particular holder of a Security shall affect the sufficiency of any notice with respect to that holder or any other holders. Such notices will be deemed to have been given on the date of such mailing. Notices to redeem Securities shall specify the date fixed for redemption, the applicable redemption price, the place or places of payment, that payment will be made upon presentation and surrender of the Securities to be redeemed (or portion thereof in the case of a partial redemption), that interest accrued to the date fixed for redemption (unless such date is an

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Interest Payment Date) will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue. If the redemption is pursuant to Section 8(a) hereof, such notice shall also state that the conditions precedent to such redemption have occurred and state that the Issuer has elected to exercise its option to redeem the Securities pursuant to Section 8(a).

(e) Any Security which is to be redeemed only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the unredeemed portion of the principal of the Registered Security so surrendered.

(f) The Issuer and any of its Related Entities (as defined in Section 8A.4) may, to the extent permitted by applicable laws and regulations, at any time purchase this Security in the open market or otherwise, provided that the Issuer may not purchase, or procure that any of its Related Entities purchase, any Security without the prior written consent of APRA.

Holders of this Security should not expect that APRA's approval will be given for any redemption or purchase of this Security.

8A.1 A “**Non-Viability Trigger Event**” means the earlier of:

- (a) the issuance to the Issuer of a written determination from APRA that conversion or write-off of Relevant Securities is necessary because, without it, APRA considers that the Issuer would become non-viable; or
- (b) a determination by APRA, notified to the Issuer in writing, that without a public sector injection of capital, or equivalent support, the Issuer would become non-viable,

each such determination being a “**Non-Viability Determination**”.

8A.2 **OPTION 1: CONVERSION WITH A FALL BACK TO WRITE-OFF**

- (a) If a Non-Viability Trigger Event occurs:
 - (i) on the Trigger Event Date, subject only to subsection (e) of this Section 8A.2, such Principal Amount of the Securities will immediately Convert as is required by the Non-Viability Determination provided that, where such Non-Viability Determination does not require all Relevant Securities to be converted into Ordinary Shares or written-off, such Principal Amount of the Securities shall Convert as is sufficient (determined by the

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Issuer in accordance with subsection (a)(ii) of this Section 8A.2) to satisfy APRA that the Issuer is viable without further conversion or write-off;

(ii) the Issuer will determine the Principal Amount of Securities which must be Converted in accordance with subsection (a)(i) of this Section 8A.2, on the following basis:

(A) first, convert into Ordinary Shares or write-off all Relevant Tier 1 Securities; and

(B) secondly, if conversion into Ordinary Shares or write-off of all Relevant Tier 1 Securities is not sufficient to satisfy the requirements of subsection (a)(i) of this Section 8A.2 (and provided that as a result of the conversion or write-off of Relevant Tier 1 Capital Securities APRA has not withdrawn the Non-Viability Determination), Convert a Principal Amount of Securities and convert into Ordinary Shares or write-off a number or principal amount of other Relevant Tier 2 Securities on an approximately pro-rata basis or in a manner that is otherwise, in the opinion of the Issuer, fair and reasonable (subject to such adjustment as the Issuer may determine to take into account the effect on marketable parcels and the need to round to whole numbers the number of Ordinary Shares and the authorized denominations of the Principal Amount of any Securities or the number or principal amount of other Relevant Tier 2 Securities remaining on issue, and the need to effect the conversion immediately) and, for the purposes of the foregoing, where the specified currency of the principal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable,

provided that such determination does not impede or delay the immediate Conversion of the relevant Principal Amount of Securities;

(iii) on the Trigger Event Date, the Issuer shall determine the Securities or portions thereof as to which the Conversion is to take effect and in making that determination may make any decisions with respect to the identity of the holders of Securities at that time as may be necessary or desirable to ensure Conversion occurs in an orderly manner, including disregarding any transfers of Securities that have not been settled or registered at that time;

(iv) the Issuer must give notice of its determination pursuant to subsection (a)(iii) of this Section 8A.2 (a "**Trigger Event Notice**") as soon
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as practicable to the Fiscal Agent and holders of Securities, which must specify:

- (A) the Trigger Event Date;
 - (B) the Principal Amount of the Securities Converted; and
 - (C) the relevant number or principal amount of other Relevant Securities converted or written-off;
- (v) none of the following events shall prevent, impede or delay the Conversion of Securities as required by subsection (a)(i) of this Section 8A.2:
- (A) any failure or delay in the conversion or write-off of other Relevant Securities;
 - (B) any failure or delay in giving a Trigger Event Notice; and
 - (C) any failure or delay in quotation of Ordinary Shares to be issued on Conversion; and
- (vi) from the Trigger Event Date, the Issuer shall treat the holder of any Security which is required to be Converted as the holder of the relevant number of Ordinary Shares and will take all such steps, including updating any register, required to record the Conversion and the issuance of such Ordinary Shares.
- (b) Where a Principal Amount of Securities is required to be Converted under this Section 8A.2, a holder of Securities that are subject to Conversion wishing to receive Ordinary Shares must, no later than the Trigger Event Date (or, in the case where Section 8A.2(d)(v) applies, within 30 days of the date on which Ordinary Shares are issued upon such Conversion), have provided to the Issuer:
- (i) its name and address (or the name and address of any person in whose name it directs the Ordinary Shares to be issued) for entry into any register of title and receipt of any certificate or holding statement in respect of any Ordinary Shares;
 - (ii) the security account details of such holder of Securities in CHESS (being the Clearing House Electronic Subregister System of Australia operated by the ASX or its affiliates or successors) or such other account to which the Ordinary Shares may be credited; and

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- (iii) such other information as is reasonably requested by the Issuer for the purposes of enabling it to issue the Conversion Number of Ordinary Shares to the holder of Securities.
- (c) Subject to Section 8A.2(d) and Section 8A.2(e), if, in respect of a Conversion of Securities, the Issuer fails to issue, on the Trigger Event Date, the Conversion Number of Ordinary Shares in respect of the Principal Amount of such Securities to, or in accordance with the instructions of, the relevant holder of Securities on the Trigger Event Date or any other nominee where Section 8A.2(d) applies, the Principal Amount of such Securities which would otherwise be subject to Conversion shall remain on issue and outstanding until:
 - (i) the Ordinary Shares are issued to, or in accordance with the instructions of, the holder of such Securities; or
 - (ii) such Securities are Written-Off in accordance with the terms hereof;

provided, however, that the sole right of the holder of Securities in respect of Securities that are subject to Conversion is its right to be issued Ordinary Shares upon Conversion (subject to its compliance with Section 8A.2(b) or to receive the proceeds from their sale pursuant to Section 8A.2(d), as applicable) and the remedy of such holder in respect of the Issuer's failure to issue the Ordinary Shares is limited (subject always to Section 8A.2(e)) to seeking an order for specific performance of the Issuer's obligation to issue the Ordinary Shares to the Holder or where Section 8A.2(d) applies to the nominee and to receive such proceeds of sale, in each case, in accordance with the terms of the Securities. This Section 8A.2(c) does not affect the obligation of the Issuer to issue the Ordinary Shares when required in accordance with the terms hereof.

- (d) If, in respect of a Security and a holder of that Security, the Security is required to be Converted and:
 - (i) the holder of the Security has notified the Issuer that it does not wish to receive Ordinary Shares as a result of the Conversion (whether entirely or to the extent specified in the notice), which notice may be given at any time prior to the Trigger Event Date;
 - (ii) the Securities are held by a registered holder of the Security whose address in the register is a place outside Australia or who the Issuer otherwise believes may not be a resident of Australia (a "**Foreign Holder**"); or
 - (iii) for any reason (whether or not due to the fault of the holder of the Security) the Issuer has not received the information required by subsection (b) of this Section 8A.2 prior to the Trigger Event Date and the

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lack of such information would prevent the Issuer from issuing the Ordinary Shares to the holder of the Security on the Trigger Event Date,

then, on the Trigger Event Date:

- (iv) where subsection (d)(i) or (d)(ii) of this Section 8A.2 applies, the Issuer shall issue the Ordinary Shares to the holder of the Security only to the extent (if at all) that:
 - (A) where subsection (d)(i) of this Section 8A.2 applies, the holder of the Security has notified the Issuer that it wishes to receive them;
 - (B) where subsection (d)(ii) of this Section 8A.2 applies, the Issuer is satisfied that the laws of both the Commonwealth of Australia and the Foreign Holder's country of residence permit the issue of Ordinary Shares to the Foreign Holder (but as to which the Issuer is not bound to enquire), either unconditionally or after compliance with conditions which the Issuer in its absolute discretion regards as acceptable and not unduly onerous;

and, to the extent the Issuer is not obliged to issue Ordinary Shares to the holder of the Security, the Issuer will issue the balance of the Ordinary Shares to the nominee in accordance with subsection (d)(v); and

- (v) otherwise, subject to applicable law, the Issuer will issue the balance of Ordinary Shares in respect of the holder of the Security to a competent nominee (which may not be the Issuer or any of its Related Entities) and will promptly notify such holder of the name of and contact information for the nominee and the number of Ordinary Shares issued to the nominee on its behalf and, subject to applicable law and:
 - (A) subject to subsection (d)(v)(B) of this Section 8A.2, the nominee will as soon as reasonably possible and no later than 35 days after issue of the Ordinary Shares sell those Ordinary Shares and pay a cash amount equal to the net proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to the holder of the Security; and
 - (B) where subsection (d)(iii) of this Section 8A.2 applies, the nominee will hold such Ordinary Shares and will transfer Ordinary Shares to such holder promptly after such holder provides the nominee with the information required to be provided by such holder under Section 8A.2(b) (as if a reference in subsection (iii) of Section 8A.2(b) to the Issuer is a reference to the nominee and a reference to the issue of Ordinary Shares is a reference to the transfer of Ordinary Shares) but only where such information is provided to
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the nominee within 30 days of the date on which Ordinary Shares are issued to the nominee upon Conversion of such Security and failing which the nominee will sell the Ordinary Shares and pay the proceeds to such holder in accordance with subsection (d)(v)(A) of this Section 8A.2; and

- (vi) nothing in this subsection (d) shall affect the Conversion of the Securities of a holder who is not a person to which any of subsections (d)(i) to (d)(iii) (inclusive) of this Section 8A.2 applies.
- (e) Notwithstanding any other provision of this Section 8A.2, where on the Trigger Event Date an Inability Event exists, and Conversion of the Principal Amount of the Securities that are subject to Conversion has not been effected within 5 Business Days after the relevant Trigger Event Date, (A) to the extent such event prevents the Issuer from Converting the Principal Amount of Securities which, but for this subsection (e), would be Converted, the Principal Amount of those Securities will not be Converted and instead will be Written-Off on the expiry of the 5th Business Day after the Trigger Event Date and (B) the Issuer shall notify the Fiscal Agent and the holders of the Notes of the foregoing as promptly as practically possible.
- (f) Each holder of Securities irrevocably:
 - (i) consents to becoming a member of the Issuer upon the Conversion of Securities as required by this Section 8A.2 and agrees to be bound by the constitution of the Issuer, in each case in respect of the Ordinary Shares issued to such holder on Conversion;
 - (ii) acknowledges and agrees that it is obliged to accept Ordinary Shares upon a Conversion of the Securities it holds notwithstanding anything that might otherwise affect a Conversion of such Securities including:
 - (A) any change in the financial position of the Issuer since the issue of such Securities;
 - (B) any disruption to the market or potential market for the Ordinary Shares or to capital markets generally; or
 - (C) any breach by the Issuer of any obligation in connection with such Securities;
 - (iii) acknowledges and agrees that where Section 8A.2(a) applies:
 - (A) there are no other conditions to a Non-Viability Trigger Event occurring as and when provided in Section 8A.1;

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- (B) Conversion must occur immediately on the occurrence of a Non-Viability Trigger Event and that may result in disruption or failures in trading or dealings in the Securities;
 - (C) it will not have any rights to vote in respect of any Conversion; and
 - (D) the Ordinary Shares issued on Conversion may not be quoted at the time of issue, or at all;
- (iv) acknowledges and agrees that where Section 8A.2(e) applies, no conditions or events will affect the operation of that Section and such holder will not have any rights to vote in respect of any Write-Off under that Section;
 - (v) acknowledges and agrees that such holder has no right to request a Conversion of any Securities or to determine whether (or in what circumstances) the Securities it holds are Converted; and
 - (vi) acknowledges and agrees that none of the following shall prevent, impede or delay the Conversion or (where relevant) Write-Off of the Securities:
 - (A) any failure to or delay in the conversion or write-off of other Relevant Securities;
 - (B) any failure or delay in giving a Trigger Event Notice or other notice required by this Section 8A.2;
 - (C) any failure or delay in quotation of the Ordinary Shares to be issued on Conversion;
 - (D) any failure or delay by a holder of a Security or any other party in complying with the provisions of Section 8A.2(h); and
 - (E) any requirement to select or adjust the number or principal amount of Securities to be Converted in accordance with Section 8A.2(a)(ii)(B).
- (g) For the purposes of this Section 8A.2 “*Written-Off*” shall mean that, in respect of a Security or portion thereof that is otherwise subject to Conversion and a Trigger Event Date:
 - (i) the Security or portion thereof that is otherwise subject to Conversion will not be Converted on that date and will not be Converted or redeemed under the terms hereof on any subsequent date; and

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- (ii) on and from the expiry of the fifth Business Day after the relevant Trigger Event Date, the rights of the relevant holder of the Security or portion thereof (including to any right to receive any payment thereunder including interest both future and as accrued but unpaid as at the Trigger Event Date) in relation to such Security or portion thereof are immediately and irrevocably terminated and written-off; and

“*Write-Off*” has a corresponding meaning.

- (h) Subject to Section 9A.1(c)(ii), any Security which is to be Converted or Written-Off only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of this series of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the non-Converted or non-Written-Off portion of the Principal Amount of the Security so surrendered.
- (i) A Non-Viability Determination takes effect, and the Issuer must perform the obligations in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day.
- (j) Where a Security is Converted or Written-Off only in part, then the amount of interest payable in respect of that Security on each Interest Payment Date falling after that Trigger Event Date will be reduced and calculated on the Principal Amount of that Security as reduced on the date of the Conversion or Write-Off.

8A.3 *OPTION 2: WRITE-OFF*

- (a) If a Non-Viability Trigger Event occurs:
 - (i) on the Trigger Event Date, such Principal Amount of the Securities will immediately be Written-Off as is required by the Non-Viability Determination provided that where such Non-Viability Determination does not require all Relevant Securities to be converted into Ordinary Shares or written-off, such Principal Amount of the Securities shall be immediately Written-Off as is sufficient (determined by the Issuer in accordance with subsection (a)(ii) of this Section 8A.3) to satisfy APRA that the Issuer is viable without further conversion or write-off;
 - (ii) the Issuer will determine the Principal Amount of Securities which must be Written-Off in accordance with subsection (a)(i) of this Section 8A.3, on the following basis:

(Reverse of Security continued on next page)

- (A) first, convert into Ordinary Shares or write-off all Relevant Tier 1 Securities; and
- (B) secondly, if conversion into Ordinary Shares or write-off of those Relevant Tier 1 Securities is not sufficient to satisfy the requirements of subsection (a)(i) of this Section 8A.3 (and provided that as a result of the conversion or write-off of Relevant Tier 1 Capital Securities APRA has not withdrawn the Non-Viability Determination), Write-Off a Principal Amount of Securities and convert into Ordinary Shares or write-off other Relevant Tier 2 Securities on an approximately pro-rata basis or in a manner that is otherwise, in the opinion of the Issuer, fair and reasonable and, for the purposes of the foregoing, where the specified currency of the principal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable,

provided that such determination does not impede or delay the immediate Write-Off of the relevant Principal Amount of Securities;

- (b) on the Trigger Event Date, the Issuer shall determine the Securities or portions thereof as to which the Write-Off is to take effect and in making that determination may make any decisions with respect to the identity of the holders of Securities at that time as may be necessary or desirable to ensure Write-Off occurs in an orderly manner, including disregarding any transfers of Securities that have not been settled or registered at that time;
- (c) the Issuer must give notice of its determination pursuant to subsection (b) of this Section 8A.3 (a "**Trigger Event Notice**") as soon as practicable to the Fiscal Agent and the holders of Securities, which must specify:
 - (i) the Trigger Event Date;
 - (ii) the Principal Amount of the Securities Written-Off ; and
 - (iii) the relevant number or principal amount of other Relevant Securities converted or written-off;
- (d) none of the following events shall prevent, impede or delay the Write-Off of Securities as required by subsection (a)(i) of this Section 8A.3:
 - (i) any failure or delay in the conversion or write-off of other Relevant Securities;

(Reverse of Security continued on next page)

- (ii) any failure or delay in giving a Trigger Event Notice;
 - (iii) any requirement to select or adjust the number or Principal Amount of Securities to be Written-Off in accordance with Section 8A.3(a)(ii)(B); and
 - (iv) any failure or delay by a holder of a Security or any other party in complying with the provisions of Section 8A.3(g).
- (e) Each holder of Securities irrevocably:
- (i) acknowledges and agrees that no conditions or events will affect the operation of this Section and such holder of Securities will not have any rights to vote in respect of any 8A.3 Write-Off under this Section; and
 - (ii) acknowledges and agrees that any failure or delay in Writing-Off a Security held by the holder pursuant to the provisions of Section 8A.3(g), shall not prevent, impede or delay the Write-Off of such Security.
- (f) For the purposes of this Section 8A.3 “**Written-Off**” shall mean that, in respect of a Security or portion thereof and a Trigger Event Date, the rights of the relevant holder of the Security (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date) in relation to such Security or portion thereof are immediately and irrevocably terminated and written-off, and “**Write-Off**” has a corresponding meaning.
- (g) Any Security which is to be Written-Off only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in the form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the non-Written-Off portion of the Principal Amount of the Security so surrendered.
- (h) A Non-Viability Determination takes effect, and the Issuer must perform the obligations in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day.
- (i) Where a Security is Written-Off only in part, then the amount of interest payable in respect of that Security on each Interest Payment Date falling after that Trigger Event Date will be reduced and calculated on the Principal Amount of that Security as reduced on the date of the Write-off.

(Reverse of Security continued on next page)

8A.4 For the purposes of this Security the following terms shall have the following meanings:

“**Control**” has the meaning given in the Corporations Act 2001 of the Commonwealth of Australia.

“**Controlled Entity**” shall mean, in respect of the Issuer, an entity the Issuer Controls.

“**Conversion**” shall mean, in relation to a Security, the conversion of the relevant Principal Amount of that Security into a number of Ordinary Shares in accordance with Schedule A, and **Convert** and **Converted** have corresponding meanings.

“**Inability Event**” shall mean the Issuer is prevented by applicable law or order of any court or action of any government authority (including regarding the insolvency winding-up or other external administration of the Issuer) or any other reason from Converting the Securities.

“**Issuer Group**” shall mean the Issuer and its Controlled Entities.

“**Level 1**”, “**Level 2**” and “**Level 3**” means those terms as defined by APRA from time to time.

“**Ordinary Share**” shall mean a fully paid ordinary share in the capital of the Issuer.

“**Related Entity**” has the meaning given by APRA from time to time.

“**Relevant Securities**” shall mean each of:

- (i) Relevant Tier 1 Securities; and
- (ii) Relevant Tier 2 Securities;

“**Relevant Tier 1 Security**” shall mean, where a Non-Viability Trigger Event occurs, a Tier 1 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

“**Relevant Tier 2 Security**” shall mean, where a Non-Viability Trigger Event occurs, a Tier 2 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

“**Tier 1 Capital**” shall mean the Tier 1 capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

(Reverse of Security continued on next page)

“**Tier 1 Capital Security**” means a share, note or other security or instrument constituting Tier 1 Capital.

“**Tier 2 Capital**” shall mean Tier 2 capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

“**Tier 2 Capital Security**” means a note or other security or instrument constituting Tier 2 Capital.

“**Trigger Event Date**” shall mean the date (whether or not a Business Day) on which APRA notifies the Issuer of a Non-Viability Trigger Event as contemplated in Section 8A.1.

- 9 (a) The following events or circumstances are “**Events of Default**” with respect to this Security and shall give rise to the limited remedies set out in this Section 9 only: (i) the making of an order by a court of the State of Victoria, Australia or of the Commonwealth of Australia or a court with appellate jurisdiction from any such court which is not successfully appealed or permanently stayed within 60 days of the entry of that order or the valid adoption by the shareholders of the Issuer of an effective resolution, which in each case is for the Winding Up of the Issuer, (ii) a default by the Issuer in the payment of any amount of the principal of, or premium (if any) on, this Security on its due date for payment or (iii) a default by the Issuer in the payment of any amount of interest on this Security within 30 days of its due date for payment, except where, in the case of the events or circumstances set out in clauses (ii) and (iii) above, the failure is the result of the Issuer not being Solvent at the at the time such payment becomes due or if the Issuer would not be Solvent as a result of that payment.

(b) If the Event of Default set out in clause (a)(i) above occurs with respect to this Security, the Principal Amount of, the premium (if any) on and all accrued but unpaid interest on this Security shall automatically, and without any declaration or action on the part of the holder of this Security, become immediately due and payable and the holder may prove or claim in the Winding Up of the Issuer, in each case subject to the provisions of Section 7.

(c) If either of the Events of Default set out in subsections (a)(ii) or (a)(iii) above occurs and is continuing with respect to this Security, the holder of this Security may not declare the Principal Amount of this Security due and payable prior to its stated maturity, provided that in the event of the Winding Up of the Issuer the provisions of subsection (b) above shall prevail.

(d) If either of the Events of Default set out in subsections (a)(ii) or (a)(iii) above occurs and is continuing with respect to this Security, the holder of this Security may (i) institute judicial proceedings for the recovery of amounts owing under or in respect of this Security provided that the Issuer will not, by virtue of the institution

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of any such proceeding, be compelled to pay such amount unless the Issuer is Solvent and may make such payment and be Solvent immediately thereafter or (ii) institute proceedings in the State of Victoria, Australia (but not in any other jurisdiction) for the Winding Up of the Issuer.

(e) The holder of this Security shall have no remedy against the Issuer in the event of the occurrence of an Event of Default other than those specified in subsections (b), (c) and (d) above, whether for the recovery of amounts owing in respect of this Security or in respect of any breach by the Issuer of any of its other obligations under or in respect of this Security. In particular, the holder of this Security shall not be entitled to exercise any right of set-off or counterclaim which may be available against amounts owing by the Issuer in respect of this Security (whether prior to, or following, any bankruptcy, liquidation, Winding-Up or sequestration of the Issuer) or to seek the appointment of a receiver, administrator or provisional liquidator to the Issuer.

9A.1 Where:

(a) either of the following occurs:

(i) a takeover bid (as defined in the Corporations Act 2001 of the Commonwealth of Australia) is made to acquire all or some of the Ordinary Shares and such offer is, or becomes, unconditional and either:

(A) the bidder has at any time during the offer period, a relevant interest in more than 50% of the Ordinary Shares on issue; or

(B) the directors of the Issuer, acting as a board, issue a statement that at least a majority of its directors who are eligible to do so have recommended acceptance of such offer (in the absence of a higher offer); or

(ii) a court orders the holding of meetings to approve a scheme of arrangement under Part 5.1 of the Corporations Act 2001 of the Commonwealth of Australia, which scheme would result in a person having a relevant interest in more than 50% of the Ordinary Shares that will be on issue after the scheme is implemented and:

(A) all classes of members of the Issuer pass all resolutions required to approve the scheme by the majorities required under the Corporations Act 2001 of the Commonwealth of Australia, to approve the scheme; and

(B) an independent expert issues a report that the proposals in connection with the scheme are in the best interests of the holders of Ordinary Shares; and

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- (b) the bidder or the person having a relevant interest in the Ordinary Shares in the Issuer after the scheme is implemented (or any entity that Controls the bidder or the person having the relevant interest) is an Approved NOHC,

then the Issuer without further authority, assent or approval of the holders of the Securities may (but with the prior written approval of APRA):

- (c) amend the terms hereof such that, unless APRA otherwise agrees, on the date the Principal Amount of Securities is to be Converted:
 - (i) each Security that is being Converted in whole will be automatically transferred by each holder of this Security free from encumbrance to the Approved NOHC on the date the Conversion is to occur;
 - (ii) each Security that is being Converted only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to:
 - (A) the registered holder of such Security without service charge, a new Security or Securities of like form and tenor and of the aggregate Principal Amount equal to and in exchange for the portion of the Principal Amount of the Security so surrendered that is not to be Converted; and
 - (B) the Approved NOHC without service charge, a new Security or Securities of like form and tenor and of the aggregate Principal Amount equal to and in exchange for the Principal Amount of the Security so surrendered that is to be Converted;

provided that any failure or delay by any party in complying with the provisions of Section 9A.1(c) shall not prevent, impede or delay the Conversion or Write-Off of Securities.

- (iii) each holder (or a nominee in accordance with Section 8A.2(b) or 8A.2(d) (as applicable), which provisions shall apply, mutatis mutandis, to such Approved NOHC Ordinary Shares) of the Security being Converted will be issued a number of Approved NOHC Ordinary Shares equal to the Conversion Number and the provisions of Schedule A shall apply (with any necessary changes) to the determination of the number of such Approved NOHC Ordinary Shares; and
- (iv) as between the Issuer and the Approved NOHC, each Security held by the Approved NOHC as a result of the transfer will be automatically

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Converted into a number of Ordinary Shares such that the total number of Ordinary Shares held by the Approved NOHC by reason of such Conversion increases by the number which equals the number of Approved NOHC Ordinary Shares issued by the Approved NOHC to holders on Conversion; and

- (d) makes such other amendments as in the Issuer's reasonable opinion are necessary and appropriate to effect the substitution of an Approved NOHC as the provider of the ordinary shares on Conversion in the manner contemplated by the terms hereof, including, where the terms upon which the Approved NOHC acquires the Issuer are such that the number of Approved NOHC Ordinary Shares on issue immediately after the substitution differs from the number of Ordinary Shares on issue immediately before that substitution (not involving any cash payment or other distribution to or by the holders of any such shares), an adjustment to any relevant VWAP or Issue Date VWAP consistent with the principles of adjustment set out in Schedule A.

9A.2 The Issuer shall give a notice to the Fiscal Agent and to the holders of Securities as soon as practicable after the substitution in accordance with Section 9A.1 specifying the amendments to the terms hereof which will be made in accordance with Section 9A.1 to effect the substitution of an Approved NOHC as the issuer of ordinary shares on Conversion.

9A.3 After a substitution under Section 9A.1, the Approved NOHC may without the authority, approval or assent of the holder of Securities, effect a further substitution in accordance with Section 9A.1 (with necessary changes).

9A.4 For the purposes of this Section 9A the following terms shall have the following meanings:

“Approved NOHC” means an entity which:

- (a) is a non-operating holding company within the meaning of the Banking Act 1959 of the Commonwealth of Australia (which term, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules); and
- (b) has agreed for the benefit of holders of Securities:
 - (i) to issue fully paid ordinary shares in its capital under all circumstances when the Issuer would otherwise have been required to Convert a Principal Amount of Securities, subject to the same terms and conditions as set out in the terms hereof (with all necessary modifications); and

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- (ii) to use all reasonable endeavours to procure quotation of Approved NOHC Ordinary Shares issued upon Conversion of relevant Securities on the ASX.

“**Approved NOHC Ordinary Shares**” means a fully paid ordinary share in the capital of the Approved NOHC.

“**NOHC**” means the ultimate holding company of the Issuer after a NOHC Event which must be a “non-operating holding company” within the meaning of the Banking Act 1959 of the Commonwealth of Australia.

10 Subject to Section 10.3, the Issuer shall not consolidate with or merge into any other person or convey, transfer or lease its properties and assets substantially as an entirety to any person, and the Issuer shall not permit any person to consolidate with or merge into the Issuer or convey, transfer or lease its properties and assets substantially as an entirety to the Issuer unless:

- (ii) in case the Issuer shall consolidate with or merge into another person or convey, transfer or lease its properties and assets substantially as an entirety to any person, the person formed by such consolidation or into which the Issuer is merged or the person which acquires by conveyance or transfer, or which leases, the properties and assets of the Issuer substantially as an entirety shall be a corporation, partnership or trust and shall expressly assume the due and punctual payment of the principal of and any premium and interest (including all Additional Amounts, if any, payable pursuant to Section 6 hereof) on all the Securities and the performance or observance of every covenant of this Security and the Fiscal Agency Agreement applicable to this Security on the part of the Issuer to be performed or observed; **provided, however**, if such person is not organized and validly existing under the laws of the Commonwealth of Australia or any State or Territory thereof, it must expressly agree (A) to indemnify the holder of this Security against any tax, assessment or governmental charge required to be withheld or deducted from any payment to such holder as a consequence of such merger, sale of assets or other transaction and (B) that all payments pursuant to this Security must be made without withholding or deduction for or on account of any tax of whatever nature imposed or levied on behalf of the jurisdiction of organization of such person, or any political subdivision or taxing authority thereof or therein, unless such tax is required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such person shall pay such additional amounts in order that the net amounts received by the holder of this Security after such withholding or deduction shall equal the amount which would have been received in respect of this Security in the absence of such withholding or deduction, subject to the same exceptions as would apply

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with respect to the payment by the Issuer of Additional Amounts in respect of this Security (substituting the jurisdiction of organization of such person for the Commonwealth of Australia), *provided, however*, that this indemnity shall not apply to 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 intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and shall not require the payment of additional amounts on account of any such withholding or deduction.

- (iii) immediately after the transaction, no Event of Default under this Security or any event that would be an Event of Default with respect to this Security if the requirements for giving the Issuer default notice and for the Issuer's default having to continue for a specific period of time were disregarded has occurred and is continuing; and
- (iv) the Issuer has delivered to the holder of this Security an Officer's Certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if applicable such amendment to the Fiscal Agency Agreement, comply with this Section 10 and that all conditions precedent herein provided for relating to such transaction have been complied with.

10.2 Upon any such consolidation or merger, or any conveyance, transfer or lease of the properties and assets of the Issuer substantially as an entirety in accordance with Section 10.1, the successor person formed by such consolidation or into which the Issuer is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Fiscal Agency Agreement and this Security with the same effect as if the successor person had been named as the Issuer therein and herein and thereafter, except in the case of a lease, the predecessor person shall be relieved of all obligations and covenants under the Securities and under the Fiscal Agency Agreement.

10.3 Nothing in section 10 shall prevent the Issuer from consolidating with or merging into any other person or conveying, transferring or leasing its properties and assets substantially as an entirety to any person, or from permitting any person to consolidate with or merge into the Issuer or to convey, transfer or lease its properties and assets substantially as an entirety to the Issuer where such consolidation, merger, transfer or lease is:

- (i) required by APRA (or any statutory manager or similar official appointed

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by it) under law and prudential regulation applicable in the Commonwealth of Australia (including without limitation the Banking Act 1959 or the Financial Sector Transfer (Business Transfer and Group Restructure) Act 1999, which terms, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules)); or

- (ii) determined by the board of directors of the Issuer or by APRA (or any statutory manager or similar official appointed by it) to be necessary in order for the Issuer to be managed in a sound and prudent manner or for the Issuer or APRA (or any statutory manager or similar official appointed by it) to resolve any financial difficulties affecting the Issuer, in each case in accordance with prudential regulation applicable in the Commonwealth of Australia.

- 11 Section 8 of the Fiscal Agency Agreement, which requires the Issuer to provide holders of Securities or, in the case of subsection (a) thereof, designated prospective purchasers of Securities with certain information is hereby incorporated *mutatis mutandis* by reference herein.
- 12 If any mutilated Security is surrendered to the Fiscal Agent, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver in exchange therefor, a new Security of like form, tenor and Principal Amount, bearing a number not contemporaneously outstanding.

If there is delivered to the Issuer and the Fiscal Agent (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of each of them harmless, then, in the absence of notice to the Issuer or the Fiscal Agent that such Security has been acquired by a bona fide purchaser, the Issuer shall execute, and upon its request the Fiscal Agent shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security a new Security of like form, tenor and Principal Amount and bearing a number not contemporaneously outstanding.

Upon the issuance of any new Security under this Section 12, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other reasonable expenses (including the fees and the expenses of the Fiscal Agent) connected therewith.

If any Security which has matured or has been redeemed or repaid or is about to mature or to be redeemed or repaid shall become mutilated, destroyed, lost or stolen, the Issuer may, instead of issuing a substitute Security, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Security) upon compliance by the holder with the provisions of this paragraph.

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Every new Security issued pursuant to this Section 12 in lieu of any mutilated, destroyed, lost or stolen Security, shall constitute an original additional contractual obligation of the Issuer, whether or not the mutilated, destroyed, lost or stolen Security shall be at any time enforceable by anyone.

Any new Security delivered pursuant to this Section 12 shall be so dated that neither gain nor loss in interest shall result from such exchange.

The provisions of this Section 12 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

13 Section 12 of the Fiscal Agency Agreement, which Section is hereby incorporated mutatis mutandis by reference herein, provides that, with certain exceptions as therein provided and with the consent of the holders of 50% of the Principal Amount of the Outstanding Securities of this series present at a meeting duly called pursuant thereto or by written consent of such percentage of the Principal Amount of all Outstanding Securities, the Issuer and the Fiscal Agent may modify, amend or supplement the terms of the Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement, in any way, or may give consents or waivers or take other actions with respect thereto, and the holders of Securities of this series may make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Fiscal Agency Agreement or the terms of the Securities of this series to be made, given or taken by holders of Securities of this series provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4). Any such modification, amendment, supplement, consent, waiver or other action shall be conclusive and binding on the holder of this Security and on all future holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange heretofore or in lieu hereof, whether or not notation thereof is made upon this Security. The Fiscal Agency Agreement and the terms of the Securities may be modified or amended by the Issuer and the Fiscal Agent, without the consent of any holders of Securities, for the purpose of (i) adding to the covenants of the Issuer for the benefit of the holders of Securities, (ii) surrendering any right or power conferred upon the Issuer, (iii) securing the Securities pursuant to the requirements of the Securities or otherwise, (iv) evidencing the succession of another corporation to the Issuer and the assumption by any such successor of the covenants and obligations of the Issuer in the Securities or in the Fiscal Agency Agreement pursuant to Section 9 hereof, (v) curing any ambiguity or correcting or supplementing any defective provision contained in the Securities or in the Fiscal

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Agency Agreement, (vi) is made in accordance with the Issuer's adjustment rights in Schedule A or (vii) any other purpose which the Issuer and the Fiscal Agent may determine that is not inconsistent with the terms of the Securities and does not adversely affect the interest of any holder of Securities, to all of which each holder of any Security, by acceptance thereof, consents provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4).

- 14 Each holder of this Security or an interest therein, by acceptance of this Security or such interest in this Security, agrees to provide the Fiscal Agent with the Noteholder Tax Identification Information and Noteholder FATCA Information (as defined below). If the Fiscal Agent determines that the holder of this Security or beneficial interest therein has failed to provide such information, the Issuer shall at its sole option, pursuant to this Section 14, amend the terms of this Security or of the Fiscal Agency Agreement to enable the Issuer to achieve FATCA Compliance (as defined below) provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4). In addition, the holder of this Security, by acceptance of this Security, understands and acknowledges that the Fiscal Agent has the right, under this Section 14 and the Fiscal Agency Agreement, to withhold interest payable with respect to this Security (without any corresponding gross-up) on any beneficial owner of an interest in this Security who fails to comply with the foregoing requirements.

“Noteholder FATCA Information” means information sufficient to eliminate the imposition of U.S. withholding tax under FATCA.

“Noteholder Tax Identification Information” means properly completed and signed tax certifications (generally, in the case of U.S. Federal Income Tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a “United States Person” within the meaning of Section 7701(a)(30) of the Code or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a “United States Person” within the meaning of Section 7701(a)(30) of the Code).

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“FATCA Compliance” means the requirement that foreign financial institutions, including any foreign subsidiaries of U.S.-based organizations, take all appropriate steps to comply with FATCA, including but not limited to:

- (a) entering into an Foreign Financial Institution Agreement with the United States Internal Revenue Service (“**IRS**”) which states an intent to comply with FATCA;
- (b) implementing adequate due diligence procedures on new and existing accounts to classify account holders or investors as U.S. or non-U.S.;
- (c) withholding 30% in U.S. taxes when individuals fail to provide appropriate documentation or when undertaking business with non-FATCA compliant entities; and
- (d) reporting account information directly to the IRS or indirectly through the relevant national government in the applicable country.

15 No reference herein to the Fiscal Agency Agreement and no provision of this Security or of the Fiscal Agency Agreement shall alter or impair the obligation of the Issuer, which, except in so far as the Security is subordinated and liable to be converted or written-off as provided herein, is absolute and unconditional, to pay the principal of (and premium, if any) and interest (including any Additional Amounts payable pursuant to Section 6) on this Security at the times, places and rates, and in the coin or currency, herein prescribed.

16 **This Security shall be governed by, and construed in accordance with, the laws of the State of New York without regard to those principles of conflicts of laws that would require the application of the laws of a jurisdiction other than the State of New York, except that the provisions of Section 7, Sections 8A.1 to 8A.4 (inclusive), Sections 9A.1 to 9A.4 (inclusive), Schedule A and all matters relating to the authorization and execution by the Issuer shall be governed by the laws of the State of Victoria and the Commonwealth of Australia.**

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SCHEDULE OF CONVERSION MECHANICS

1 CONVERSION

If the Issuer must Convert the Principal Amount of a Security in accordance with the terms hereof, then, subject to this Schedule A and Section 9A.1, the following provisions apply:

- (a) the Issuer will allot and issue on the Trigger Event Date a number of Ordinary Shares in respect of the Principal Amount of that Security equal to the Conversion Number, where the Conversion Number (but subject to the Conversion Number being no more than the Maximum Conversion Number) is a number calculated according to the following formula:

$$\text{Conversion Number} = \frac{\text{Principal Amount}}{(99\% \times \text{VWAP})}$$

where:

“**VWAP**” (expressed in dollars and cents) means the VWAP during the VWAP Period and where the “**Maximum Conversion Number**” means a number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{\text{Principal Amount}}{\text{Issue Date VWAP} \times 0.2}$$

- (b) the rights of each holder of a Security (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date) in relation to each Security that is being Converted will be immediately and irrevocably terminated for an amount equal to the Principal Amount of that Security and the Issuer will apply that Principal Amount by way of payment for subscription for the Ordinary Shares to be allotted and issued under Section 1(a) of this Schedule A. Each holder of the Security is taken to have irrevocably directed that any amount payable under Section 1 of this Schedule A is to be applied as provided for in Section 1 of this Schedule A and no holder of the Security has any right to payment in any other way;
- (c) any calculation under Section 1(a) of this Schedule A shall be, unless the context requires otherwise, be rounded to four decimal places provided that if the total number of additional Ordinary Shares to be allotted to a holder of the Security in respect of the aggregate Principal Amount of the

(Reverse of Security continued on next page)

Securities it holds which is being Converted includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded; and

- (d) the rights attaching to Ordinary Shares issued as a result of Conversion do not take effect until 5.00pm (Melbourne, Australia time) on the Trigger Event Date. At that time all other rights conferred or restrictions imposed on that Security under the terms hereof will no longer have effect (except for the right to receive the Ordinary Shares as set forth in this Section 1 and Section 8A.2 and except for rights relating to interest which is payable but has not been paid on or before the Trigger Event Date which will continue).

2 ADJUSTMENTS TO VWAP

For the purposes of calculating VWAP in the terms hereof:

- (a) where, on some or all of the Business Days in the relevant VWAP Period, Ordinary Shares have been quoted on the ASX as cum dividend or cum any other distribution or entitlement and the Securities will Convert into Ordinary Shares after the date those Ordinary Shares no longer carry that dividend or any other distribution or entitlement, then the VWAP on the Business Days on which those Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement shall be reduced by an amount (“*Cum Value*”) equal to:
 - (i) (in case of a dividend or other distribution), the amount of that dividend or other distribution including, if the dividend or other distribution is franked, the amount that would be included in the assessable income of a recipient of the dividend or other distribution who is both a resident of Australia and a natural person under the Tax Act;
 - (ii) (in the case of any other entitlement that is not a dividend or other distribution under Section 2(a)(i) of this Schedule A which is traded on the ASX on any of those Business Days), the volume weighted average sale price of all such entitlements sold on the ASX during the VWAP Period on the Business Days on which those entitlements were traded; or
 - (iii) (in the case of any other entitlement which is not traded on the ASX during the VWAP Period), the value of the entitlement as reasonably determined by the directors of the Issuer; and
- (b) where, on some or all of the Business Days in the VWAP Period, Ordinary Shares have been quoted on the ASX as ex dividend or ex any
(Reverse of Security continued on next page)

other distribution or entitlement, and the Securities will Convert into Ordinary Shares which would be entitled to receive the relevant dividend or other distribution or entitlement, the VWAP on the Business Days on which those Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement shall be increased by the Cum Value.

3 ADJUSTMENTS TO VWAP FOR DIVISIONS AND SIMILAR TRANSACTIONS

- (a) Where during the relevant VWAP Period there is a change in the number of the Ordinary Shares on issue as a result of a division, consolidation or reclassification of the Issuer's share capital (not involving any cash payment or other distribution to or by holders of Ordinary Shares) (a "**Reorganisation**"), in calculating the VWAP for that VWAP Period the daily VWAP applicable on each day in the relevant VWAP Period which falls before the date on which trading in Ordinary Shares is conducted on a post Reorganisation basis shall be adjusted by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with Section 3(a) of this Schedule A will, absent manifest error, be effective and binding on holders of the Securities under these terms and these terms will be construed accordingly. Any such adjustment must be promptly notified to all holders of the Securities.

4 ADJUSTMENTS TO ISSUE DATE VWAP

For the purposes of determining the Issue Date VWAP, corresponding adjustments to VWAP will be made in accordance with Section 2 and Section 3 of this Schedule A during the 20 Business Day period over which VWAP is calculated for the purposes of determining the Issue Date VWAP. On and from the Issue Date adjustments to the Issue Date VWAP:

- (a) may be made in accordance with Sections 5 to 7 of this Schedule A (inclusive); and

(Reverse of Security continued on next page)

- (b) if so made, will cause an adjustment to the Maximum Conversion Number.

5 ADJUSTMENTS TO ISSUE DATE VWAP FOR BONUS ISSUES

- (a) Subject to Section 5(b) of this Schedule A below, if at any time after the Issue Date the Issuer makes a pro rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$V = V_o \times \frac{RD}{RD + RN}$$

where:

V means the Issue Date VWAP applying immediately after the application of this formula;

V_o means the Issue Date VWAP applying immediately prior to the application of this formula;

RN means the number of Ordinary Shares issued pursuant to the bonus issue; and

RD means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue.

- (b) Section 5(a) of this Schedule A does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.
- (c) For the purpose of Section 5(a) of this Schedule A, an issue will be regarded as a pro rata issue notwithstanding that the Issuer does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia, provided that in so doing the Issuer is not in contravention of the ASX Listing Rules.
- (d) No adjustments to the Issue Date VWAP will be made under this Section 5 of this Schedule A for any offer of Ordinary Shares not covered by Section 5(a) of this Schedule A, including a rights issue or other essentially pro rata issue.
- (e) The fact that no adjustment is made for an issue of Ordinary Shares except as covered by Section 5(a) of this Schedule A shall not in any way restrict the Issuer from issuing Ordinary Shares at any time on such terms

(Reverse of Security continued on next page)

as it sees fit nor require any consent or concurrence of any holders of the Security.

6 ADJUSTMENT TO ISSUE DATE VWAP FOR DIVISIONS AND SIMILAR TRANSACTIONS

- (a) If at any time after the Issue Date, a Reorganisation occurs, the Issuer shall adjust the Issue Date VWAP by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reorganisation by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with Section 6(a) of this Schedule A will, absent manifest error, be effective and binding on holders of Securities under these terms and these terms will be construed accordingly.
- (c) Each holder of a Security acknowledges that the Issuer may, consolidate, divide or reclassify securities so that there is a lesser or greater number of Ordinary Shares at any time in its absolute discretion without any such action requiring any consent or concurrence of any holders of Securities.

7 NO ADJUSTMENT TO ISSUE DATE VWAP IN CERTAIN CIRCUMSTANCES

Despite the provisions of Section 5 and Section 6 of this Schedule A, no adjustment shall be made to the Issue Date VWAP where such adjustment (rounded if applicable) would be less than one percent of the Issue Date VWAP then in effect.

8 ANNOUNCEMENT OF ADJUSTMENT TO ISSUE DATE VWAP

The Issuer will notify the holder of Securities (an “*Adjustment Notice*”) of any adjustment to the Issue Date VWAP under this Schedule A within 10 Business Days of the Issuer determining the adjustment and the adjustment set out in the announcement will be final and binding.

(Reverse of Security continued on next page)

9 ORDINARY SHARES

Each Ordinary Share issued or arising upon Conversion ranks pari passu with all other fully paid Ordinary Shares. The Holders of Subordinated Notes agree not to trade Ordinary Shares issued on Conversion (except as permitted by the Corporations Act, other applicable laws and the ASX Listing Rules) until ANZ has taken such steps as are required by the Corporations Act, other applicable laws and the ASX Listing Rules for the Ordinary Shares to be freely tradeable without such further disclosure or other action and agree to allow ANZ to impose a holding lock or to refuse to register a transfer in respect of Ordinary Shares until such time.

10 LISTING ORDINARY SHARES ISSUED ON CONVERSION

The Issuer shall use all reasonable endeavours to list the Ordinary Shares issued upon Conversion of the Securities on the ASX.

11 DEFINITIONS

For the purposes of this Schedule A the following terms shall have the following meanings:

“ASX Operating Rules” means the market operating rules of the ASX as amended, varied or waived (whether in respect of the Issuer or generally) from time to time.

“ASX” means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires, or any successor.

“Issue Date VWAP” means the VWAP during the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the first date on which any Securities were issued, as adjusted in accordance with Sections 5 to 7 (inclusive) of this Schedule A.

“Tax Act” means:

- (i) the Income Tax Assessment Act 1936 of the Commonwealth Australia or the Income Tax Assessment Act 1997 of Australia as the case may be and a reference to any Section of the Income Tax Assessment Act 1936 of the Commonwealth of Australia includes a reference to that Section as rewritten in the Income Tax Assessment Act 1997 of the Commonwealth of Australia; and
- (ii) any other Act setting the rate of income tax payable and any regulation promulgated under it.

(Reverse of Security continued on next page)

“**VWAP**” means, subject to any adjustments under this Schedule A, the average of the daily volume weighted average sale prices (such average being rounded to the nearest full cent) of Ordinary Shares sold on the ASX during the VWAP Period or on the relevant days (and, where the Specified Currency of the Principal Amount in respect of the relevant Security is not Australian dollars, with each such daily price converted into the Specified Currency on the basis of the spot rate for the sale of the Australian dollar against the purchase of such Specified Currency in the New York foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation) but does not include any “Crossing” transacted outside the “Open Session State” or any “Special Crossing” transacted at any time, each as defined in the ASX Operating Rules, or any overseas trades or trades pursuant to the exercise of options over Ordinary Shares;

“**VWAP Period**” means the period of 5 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Trigger Event Date.

(Reverse of Security continued on next page)

SCHEDULE OF ADJUSTMENTS

Initial Principal Amount: US\$500,000,000

Date adjustment made	Principal amount increase	Principal amount decrease	Principal amount following adjustment	Notation made on behalf of the Security Registrar

PRICING SUPPLEMENT

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED**
(As Issuer)

US\$800,000,000

FIXED RATE SUBORDINATED NOTES DUE 2024
(SUBJECT TO CONVERSION)

March 12, 2014

This Pricing Supplement relates to the US\$800,000,000 Fixed Rate Subordinated Notes Due 2024, Subject to Conversion (the “Subordinated Notes”) of Australia and New Zealand Banking Group Limited (“ANZ”), which are described below and also generally in the US\$25,000,000,000 Medium-Term Note Offering Memorandum dated November 15, 2013, as amended and supplemented by this Pricing Supplement (the “Offering Memorandum”). This Pricing Supplement amends the Offering Memorandum in the manner specified in **Annex A**. This Pricing Supplement contains the final terms of the offering of the Subordinated Notes. This Pricing Supplement must be read in conjunction with the Offering Memorandum.

This Pricing Supplement relating to the offering of the Subordinated Notes is subject to, and is qualified in its entirety by reference to, all of the provisions included in the Amended and Restated Fiscal Agency Agreement dated as of March 11, 2014 and the Form of Fixed Rate Subordinated Note, copies of which have been made available to you by ANZ. You should read each of the foregoing documents in conjunction with this Pricing Supplement for a complete understanding of the terms of the Subordinated Notes.

All capitalized terms used in this Pricing Supplement and not otherwise defined herein shall have the meanings assigned to them in the Offering Memorandum.

The Subordinated Notes are novel and complex financial instruments and may not be a suitable investment for all investors

Investing in the Subordinated Notes will involve certain risks, and you must determine the suitability of such investment in light of its own circumstances. You should carefully review the

section entitled “Risk Factors Relating to the Notes” in the Offering Memorandum, and, in particular, should review pages 11 – 16 of the Offering Memorandum, which discuss specific risks relating to the Subordinated Notes. In addition, you should review the risk factor supplementing the Offering Memorandum entitled “If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes” set out in Annex A of this Pricing Supplement.

The Subordinated Notes are subject to mandatory conversion in the event of the non-viability of ANZ

The Subordinated Notes are subject to mandatory Conversion into Ordinary Shares of ANZ if a Non-Viability Trigger Event occurs. A Non-Viability Trigger Event occurs when APRA has provided a written determination to ANZ that the Conversion or Write-Off of certain securities of ANZ is necessary because without either such Conversion or Write-Off or a public sector injection of capital, ANZ would become non-viable.

If a Non-Viability Trigger Event occurs, on the date APRA notifies ANZ of such event (whether or not a Business Day) (such date, the “Trigger Event Date”), ANZ will be required to Convert some or all of the nominal amount of the Subordinated Notes into Ordinary Shares, or if ANZ is prevented by applicable law, court order or any other reason from Converting the Subordinated Notes within five business days after the Trigger Event Date, ANZ will be required to write off some or all of the nominal amount of the Subordinated Notes and immediately and irrevocably terminate the rights of the holders of such Subordinated Notes.

No right to principal or interest following Trigger Event Date

On the Trigger Event Date, in respect of the principal amount of any Subordinated Note which is to be Converted, the sole right of the holder of such Subordinated Note in respect of that principal amount will be its right to be issued Ordinary Shares upon Conversion, *provided, however*, that where on the Trigger Event Date an Inability Event exists, and Conversion of the principal amount of the Subordinated Notes that are subject to Conversion has not been effected within five Business Days after the relevant Trigger Event Date, (A) to the extent such event prevents the Issuer from Converting the principal amount of Securities which would otherwise be Converted, the principal amount of those Subordinated Notes will not be Converted and instead will be Written-Off on the expiry of the fifth Business Day after the Trigger Event Date and (B) the Issuer shall notify the Fiscal Agent and the holders of the Notes that an Inability Event has impeded Conversion as promptly as practically possible. “Expiry of the fifth Business Day” means 11:59 p.m., Sydney time on the fifth Business Day.

Deemed acknowledgement, agreement and consent

By its acquisition of the Subordinated Notes, each holder of Subordinated Notes shall be deemed to have (i) consented to the Conversion or Write-off of its Subordinated Notes in accordance with the terms of the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” and acknowledged that such Conversion or Write-off of its Subordinated Notes (including any beneficial interest therein) following a Non-Viability Trigger Event may occur without any action on such holder’s part and (ii) authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Subordinated Notes to take any and all necessary action, if required, to effectuate the

Conversion or Write-off of the Subordinated Notes without any further action or direction on the part of such holder.

Additional Operational Procedures Relating to the Subordinated Notes

The below operational procedures supplement the terms and conditions of the Subordinated Notes as described in the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

Promptly following the receipt of the Trigger Event Notice by DTC (the “Trigger Event Notice Receipt Date”), DTC will suspend all clearance and settlement of the Subordinated Notes that are specified by the Trigger Event Notice to be Subordinated Notes that have been Converted or Written Off (“Relevant Subordinated Notes”), with such suspension commencing no later than the close of the next day following the Trigger Event Notice Receipt Date that is a business day in New York City (the date of such suspension, the “Suspension Date”). Promptly following its receipt of the Trigger Event Notice, DTC will, pursuant to its procedures currently in effect, post the Trigger Event Notice to its Reorganization Inquiry for Participants System.

The Trigger Event Notice shall request that holders of Relevant Subordinated Notes provide to ANZ a notice (a “Conversion Shares Settlement Notice”), containing the information specified in subsection (b) of the Section “Description of the Notes— Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ—Conversion Option” in the Offering Memorandum. The Conversion Shares Settlement Notice must be given in accordance with the standard procedures of DTC (which may include the notice being given to ANZ by electronic means) and in a form acceptable to DTC and ANZ. In order to obtain delivery of Ordinary Shares in respect of Relevant Subordinated Notes, a holder of Relevant Subordinated Notes must deliver its Conversion Shares Settlement Notice on or before the date that is 30 days after the Trigger Event Date (the “Notice Cut-off Date”).

Transfers of Subordinated Notes that are initiated prior to the Suspension Date and are scheduled to settled within DTC afterwards may be rejected by DTC and may not settle within DTC

Holders of Relevant Subordinated Notes will not be able to settle the transfer of any Relevant Subordinated Notes from the Suspension Date, and any sale or transfer of the Relevant Subordinated Notes that a holder of Relevant Subordinated Notes may have initiated prior to the Suspension Date that is scheduled to settle after the Suspension Date will be rejected by DTC and will not be settled within DTC.

Final Terms of the Subordinated Notes

Deal Reference MTN:	61
Issuer:	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
Principal Amount and Specified Currency:	US\$800,000,000
Option to receive payment in Specified Currency:	Not Applicable

Type of Note:	Rule 144A Global Note and Regulation S Global Note
Status of Note:	Subordinated Note
Term:	10 years
Issue Date:	March 19, 2014
Trade Date:	March 12, 2014
Stated Maturity:	March 19, 2024
Redemption:	At option of the Issuer at any time on or after a Regulatory Event Any early redemption will be subject to the prior written approval of APRA.
Repayment:	No repayment at the option of the holders prior to Stated Maturity Any early repayment will be subject to the prior written approval of APRA.
Conversion Option:	Conversion with a Fall back to Write-off (Option 1: Section 8A.2 of the Subordinated Notes applies)
Fixed Rate Notes:	Applicable
Interest Rate:	4.500% per annum
Interest Rate Frequency:	Semi-annually
Regular Record Date(s):	15 calendar days preceding applicable Interest Payment Date whether or not a "business" day
Interest Payment Dates:	On March 19 and September 19 of each year, commencing on September 19, 2014 and ending on the Stated Maturity Date
Floating Rate Notes:	Not Applicable
LIBOR Notes:	Not Applicable
CMT Rate Notes:	Not Applicable
Floating Rate/Fixed Rate Security:	Not Applicable
Fixed Rate/Floating Rate Security:	Not Applicable
Inverse Floating Rate Security:	Not Applicable

Zero Coupon Notes:	Not Applicable
Indexed Notes/other variable-linked interest note provisions:	Not Applicable
Amortizing Notes:	Not Applicable
Redemption:	At option of the Issuer at any time on or after a Regulatory Event Any early redemption will be subject to the prior written approval of APRA. Any redemption of the Subordinated Notes will be pursuant to the terms of the Subordinated Notes pertaining to redemption, as described in the sections of the Offering Memorandum entitled “Description of the Notes—Redemption or Repurchase of Subordinated Notes” and “Description of the Notes—Redemption of Subordinated Notes for Regulatory Event”.
Redemption Commencement Date:	Not Applicable
Redemption Price(s):	Par
Redemption Period(s):	Not Applicable
General Provisions:	
Business Day Convention:	Following Business Day Convention
Business Days:	London, New York, Sydney
Alternative Day Count Fraction:	30/360, unadjusted
Issue Price (Price to public):	99.864%
Proceeds to Issuer (US\$)	US798,912,000 (before certain costs, fees and expenses)
Offering Agents:	ANZ Securities, Inc. Citigroup Global Markets Inc. Goldman, Sachs & Co. UBS Securities LLC
Agents acting in capacity of:	Principal
Paying Agent:	The Bank of New York Mellon
Calculation Agent:	The Bank of New York Mellon, London branch
Exchange Rate Agent:	Not Applicable

Additional Paying Agent:	Not Applicable
Redenomination, renominatisation and reconventioning provisions:	Not Applicable
Listing:	Not Applicable
Admission to trading:	Not Applicable
Denominations:	Minimum denomination of US\$200,000, and any integral multiple of US\$1,000 thereafter
Covenant Defeasance:	Not Applicable
CUSIP:	052528AH9 - Rule 144A Q0426RNB0 - Reg. S
ISIN:	US052528AH96 - Rule 144A USQ0426RNB07 - Reg. S
Additional Selling Restrictions:	See Offering Memorandum and Canadian wrapper
Stabilizing Manager:	Not Applicable
Exchange Rate:	Not Applicable
Depository (if other than DTC):	Not Applicable
Subordinated Notes Ratings*:	S & P: BBB+ Moody's: A3 Fitch: A+
Other terms:	See Annex A

Signed on behalf of the Issuer

By: _____

* A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the ratings agency at any time.

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 and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and any who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

Annex A

Amendments to Offering Memorandum

The disclosure in the Offering Memorandum is amended as set out below:

- 1 The following paragraph is added into the section “Description of the Notes - How the Notes rank against other debt” after the third paragraph beneath that heading:

Further, the Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 2 The following paragraph is added into the section “Description of the Notes - Status and Subordination of Subordinated Notes” after the first paragraph beneath that heading:

The Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 3 In the section “Description of the Notes - Redemption or repurchase of Subordinated Notes”, the definition of “Regulatory Capital” is replaced with the following:

“Regulatory Capital” means a Tier 1 Capital Security (which means a share, note or other security or instrument constituting Tier 1 Capital) or a Tier 2 Capital Security (which means a note or other security or instrument constituting Tier 2 Capital).

- 4 In the section “Description of the Notes - Redemption of Subordinated Notes for Regulatory Event”, the definition of “Tier 2 Capital” is deleted.

- 5 In the section “Description of the Notes – Certain Defined Terms”, after the definition of Tier 1 Capital:
- (a) the definition of “Trigger Event Date” is replaced with the following:
- “Trigger Event Date” shall mean the date (whether or not a Business Day) on which APRA notifies ANZ of a Non-Viability Trigger Event as contemplated under “Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” above.
- (b) the following definition of “Tier 2 Capital” is inserted:
- “Tier 2 Capital” shall mean Tier 2 capital of ANZ (on a Level 1 basis) or the ANZ Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.
- 6 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Conversion Option”:
- in section (e), the phrase “6th Business Day” is replaced with “expiry of the fifth Business Day”;
 - in section (g)(ii), “sixth Business Day” is replaced with “expiry of the fifth Business Day”, and “(including to any right to receive any payment thereunder)” is replaced with “(including to any right to receive any payment thereunder, including interest both future and as accrued but unpaid as at the Trigger Event Date)”.
- 7 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Write-Off Option”:
- in section (a)(i), the phrase “such Principal Amount of the Subordinated Notes shall be Written-Off as is sufficient” is replaced with “such Principal Amount of the Subordinated Notes shall be immediately Written-Off as is sufficient”; and
 - in section (f), the phrase “(including to any right to receive any payment thereunder)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.

- 8 In the section “Description of the Notes - Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ – Conversion Mechanics”:
- in section (b), the phrase “(including to payment of interest)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.
- 9 In the section “Description of the Notes – Defeasance of Senior Notes”, the second paragraph is replaced with the following: “Full defeasance or covenant defeasance is not available to Holders of Subordinated Notes.”
- 10 The following is added to the end of the section entitled “Description of the Notes – Mergers and similar transactions”:

Notwithstanding the above, we are not prevented from consolidating with or merging into any other person or conveying, transferring or leasing our properties and assets substantially as an entirety to any person, or from permitting any person to consolidate with or merge into us or to convey, transfer or lease its properties and assets substantially as an entirety to us where such consolidation, merger, transfer or lease is:

- required by APRA (or any statutory manager or similar official appointed by it) under law and prudential regulation applicable in the Commonwealth of Australia (including without limitation the Banking Act 1959 or the Financial Sector Transfer (Business Transfer and Group Restructure) Act 1999, which terms, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules)); or
- determined by our directors or by APRA (or any statutory manager or similar official appointed by it) to be necessary in order for the Issuer to be managed in a sound and prudent manner or for the Issuer or APRA (or any statutory manager or similar official appointed by it) to resolve any financial difficulties affecting the Issuer, in each case in accordance with prudential regulation applicable in the Commonwealth of Australia.

- 11 The following is added to the end of the section entitled “Risk Factors Relating to the Notes”:

If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes

We are permitted to consolidate or merge with another company or other entity or to sell substantially all of our assets to another company or entity where required to do so by APRA (or a statutory manager or a similar official) under applicable law or prudential regulation in Australia or where determined by our directors or by APRA (or a statutory manager or a similar official) to be necessary in order for us to be managed in a sound or prudent manner or for us or APRA (or a statutory manager or a similar official) to resolve any financial difficulties affecting us. In either case, such entity need not assume the obligations under the Notes, and Holders of the Notes may have no recourse to such entity and no grounds to require repayment of the principal amount of the Notes on account of that consolidation or merger. In particular, such a transaction may be effected in certain circumstances by the Australian Prudential Regulation Authority under the Financial Sector (Business Transfer and Group Restructure) Act 1999, pursuant to which some or all of our assets or liabilities may be transferred to another authorized deposit taking institution. Such a merger, consolidation, or asset sale, whether or not effected by the Australian Prudential Regulation Authority, may adversely affect the value of the Notes and the likelihood of us making payment to holders of any amount due under their Notes.

Fixed Rate Subordinated Notes (Subject to Conversion)

[Face of Security]

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM IN ACCORDANCE WITH THE CERTIFICATE OF AUTHORIZATION RELATING TO THE SECURITIES OF THE SERIES AND THE FISCAL AGENCY AGREEMENT HEREINAFTER REFERRED TO, COPIES OF WHICH ARE AVAILABLE FOR INSPECTION AT THE CORPORATE TRUST OFFICE OF THE FISCAL AGENT HEREINAFTER REFERRED TO. THE EXEMPTION PROVIDED BY RULE 144A UNDER THE ACT MAY BE AVAILABLE TO PERMIT SALE OR TRANSFER OF THIS SECURITY TO QUALIFIED INSTITUTIONAL BUYERS (WITHIN THE MEANING OF RULE 144A) WITHOUT REGISTRATION.

EACH PURCHASER OF THIS SECURITY REPRESENTS ON ITS OWN BEHALF AND ON BEHALF OF ANY ACCOUNT FOR WHICH IT IS PURCHASING THIS SECURITY THAT IT WILL OFFER, SELL OR OTHERWISE TRANSFER THIS SECURITY (A) ONLY IN MINIMUM PRINCIPAL AMOUNTS OF U.S.\$200,000 (OR THE EQUIVALENT THEREOF IN ANOTHER CURRENCY OR COMPOSITE CURRENCY) AND (B) PRIOR TO THE DATE THAT IS ONE YEAR AFTER THE LATER OF (1) THE ISSUE DATE OF THIS SECURITY AND (2) THE LAST DATE ON WHICH AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED (THE "ISSUER") OR ANY AFFILIATE WAS THE BENEFICIAL OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) ONLY (A) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT PROVIDED BY EITHER RULE 144A OR REGULATION S THEREUNDER (B) TO THE ISSUER OR ANY OF ITS SUBSIDIARIES OR AN AGENT THAT IS A PARTY TO THE AMENDED AND RESTATED DISTRIBUTION AGREEMENT, DATED NOVEMBER 15, 2013, AMONG THE ISSUER AND THE AGENTS NAMED THEREIN OR (C) PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS AS CONFIRMED IN AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER.

THE FOREGOING LEGENDS MAY BE REMOVED FROM THIS SECURITY ON THE CONDITIONS SPECIFIED IN THE CERTIFICATE OF AUTHORIZATION RELATING TO THE SECURITIES OF THIS SERIES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN EXCHANGE FOR THIS CERTIFICATE OR ANY PORTION HEREOF IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC, **ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON OTHER THAN DTC OR OTHERWISE IS WRONGFUL** INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE FISCAL AGENCY AGREEMENT REFERRED TO HEREINAFTER. THIS GLOBAL SECURITY MAY NOT BE EXCHANGED, IN WHOLE OR IN PART, FOR A SECURITY REGISTERED IN THE NAME OF ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES SET FORTH IN SECTION 5(b) OF THE FISCAL AGENCY AGREEMENT, AND MAY NOT BE TRANSFERRED, IN WHOLE OR IN PART, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 6(b) OF THE FISCAL AGENCY AGREEMENT. BENEFICIAL INTERESTS IN THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH SECTION 6(b) OF THE FISCAL AGENCY AGREEMENT.

(Face of Security continued on next page)

No. R-2- 2014
CUSIP: 052528AH9
ISIN: US052528AH96

INITIAL PRINCIPAL AMOUNT:

US\$112,500,000

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED
(ABN 11 005 357 522)

FIXED RATE SUBORDINATED NOTE
(Subject to Conversion)

SPECIFIED CURRENCY —
PRINCIPAL: US Dollars

REDEMPTION
PERIOD: N/A

SPECIFIED CURRENCY —
INTEREST: US Dollars

REDEMPTION COMMENCEMENT
DATE: Not Applicable

OPTION TO RECEIVE PAYMENT IN
SPECIFIED CURRENCY: N/A

REDEMPTION PRICES: Par

ISSUE DATE: March 19, 2014

DENOMINATIONS: Minimum
denomination of US\$200,000 and any
integral multiple of US\$1,000 thereafter

INTEREST RATE: 4.500%

ALTERNATIVE DAY COUNT
CONVENTION: 30/360, unadjusted

INTEREST PAYMENT DATES: March 19 and
September 19 of each year, commencing on
September 19, 2014, and ending on the Stated
Maturity Date

EXCHANGE RATE: Not Applicable

EXCHANGE RATE
AGENT: Not Applicable

STATED
MATURITY: March 19, 2024

NON-VIABILITY OPTION: Option 1 (section
8A.2) applies

COVENANT DEFEASANCE PROVISIONS DO NOT APPLY

(Face of Security continued on next page)

OTHER TERMS: See Addendum Attached

Terms left blank or marked “*N/A*”, “*No*”, “*None*” or in a similar manner do not apply to this Security except as otherwise may be specified.

Whenever used in this Security, the terms specified above that apply to this Security have the meanings specified above, unless the context requires otherwise. Other terms used in this Security that are not defined herein but that are defined in the Fiscal Agency Agreement referred to in Section 1 on the reverse of this Security are used herein as defined therein.

(Face of Security continued on next page)

Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), a corporation incorporated under the laws of the Commonwealth of Australia (herein called the “*Issuer*”, which term includes any successor person hereinafter referred to), for value received, subject to the terms hereof, hereby promises to pay to Cede & Co., or registered assigns, the Initial Principal Amount specified above (such Initial Principal Amount, as it may from time to time be adjusted by endorsement on Schedule B hereto or, reduced due to Conversion or Write-Off in accordance with Condition 8A.2 or 8A.3, is hereinafter referred to as the “*Principal Amount*”) in the Specified Currency specified above on the Stated Maturity specified above, or such earlier date as the principal of this Security or one or more predecessor Securities may become due in accordance with the terms hereof (each such date being hereinafter referred to as “maturity” with respect to the principal repayable on such date), and to pay interest on such Principal Amount, from the Issue Date specified above or from the most recent Interest Payment Date to which interest on this Security (or any predecessor Security) has been paid or duly provided for in arrears on such Interest Payment Dates specified on the face hereof (each an “*Interest Payment Date*”) and at maturity, at a rate per annum equal to the Interest Rate specified on the face hereof (the “*Interest Rate*”), until the principal hereof is paid or duly made available for payment or reduced to zero due to such Conversion or Write-Off, and at the rate then accruing on this Security on any overdue premium or installment of interest.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on the fifteenth day (whether or not a Business Day as hereinafter defined) next preceding such Interest Payment Date (a “*Regular Record Date*”); *provided, however*, that interest payable at maturity but on a day that is not an Interest Payment Date will be payable to the person to whom principal (and premium, if any) shall be payable; and, *provided, further*, that if the Issue Date is after a Regular Record Date and before the next succeeding Interest Payment Date, the first payment of interest shall be payable on the Interest Payment Date following the next succeeding Regular Record Date to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on such next succeeding Regular Record Date.

Any such interest which is payable, but not punctually paid or duly provided for, on any Interest Payment Date will forthwith cease to be payable to the holder on such Regular Record Date and such defaulted interest may either be paid to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Issuer, notice whereof shall be given to the holder of this Security by the Issuer or by the Fiscal Agent on the instruction of and on behalf of the Issuer not less than 10 days prior to such special record date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which this Security may be listed, and upon such notice as may be required by such exchange.

(Face of Security continued on next page)

Unless the holder hereof is entitled to make, and has made a Specified Currency Payment Election (as hereinafter defined), payment of principal of (and premium, if any) and interest on this Security will be made in U.S. dollars in amounts converted from the Specified Currency determined as set forth below. The ***Specified Currency*** for any payment shall be the currency specified as such on the face of this Security unless, at the time of such payment, such currency is not legal tender for the payment of public and private debts in the country issuing such currency on the Issue Date, in which case the Specified Currency for such payment shall be such coin or currency as at the time of such payment is legal tender for the payment of public and private debts in such country, except as provided in the next sentence. If the euro is specified on the face of this Security as the Specified Currency for any payment, the Specified Currency for such payment shall be such coin or currency as at the time of payment is legal tender for the payment of public and private debts in all EMU Countries (as defined in Section 3 on the reverse hereof), provided that, if on any day there are not at least two EMU Countries, or if on any day there are at least two EMU Countries but no coin or currency is legal tender for the payment of public and private debts in all EMU Countries, then the Specified Currency for such payment shall be deemed not to be available to the Issuer on such day for the purposes of the seventh succeeding paragraph.

Principal of (and premium, if any, on) this Security shall be payable against surrender hereof at the corporate trust office of the Fiscal Agent hereinafter referred to or at such other offices or agencies as the Issuer may designate and notify the holders as provided in Section 4 on the reverse hereof and at the offices of such other Paying Agents as the Issuer shall have appointed pursuant to the Fiscal Agency Agreement (each a "***Place of Payment***"). Payments of interest on this Security shall be made, in accordance with the foregoing and subject to applicable laws and regulations, by check mailed on or before the due date for such payment to the person entitled thereto at such person's address appearing on the aforementioned register or, in the case of payments of principal (and premium, if any) to such other address as the registered holder may specify upon such surrender; ***provided, further***, that any payments shall be made, in the case of a registered holder of at least U.S.\$5,000,000 aggregate Principal Amount of Securities, by wire transfer to an account maintained by the payee with a bank located in The City of New York if such registered holder so elects by giving notice to the Fiscal Agent, not less than 5 Business Days (or such fewer days as the Fiscal Agent may accept at its discretion) prior to the date of the payments to be obtained of such election and of the account to which payments are to be made. Any such transfer instructions received by the Fiscal Agent shall be in effect until revoked by the holder.

No payment of principal, premium or interest in respect of this Security shall be made at any office or agency of the Issuer in the Commonwealth of Australia or by check mailed to any address in the Commonwealth of Australia or by transfer to an account maintained with a bank located in the Commonwealth of Australia.

If the holder of this Security shall not have duly made an election to receive all or a portion of any payment of principal, premium, if any and/or interest in

(Face of Security continued on next page)

respect of this Security as described in the next succeeding paragraph, where the Specified Currency is not U.S. dollars, any U.S. dollar amount to be received shall be calculated by the Exchange Rate Agent specified on the face hereof (the “*Exchange Rate Agent*”, which term includes any successor person hereinafter referred to) at approximately 11:00 A.M., The City of New York time, on the second Business Day preceding the applicable payment date by reference to quotations from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Issuer for the purchase by the quoting dealer of the Specified Currency for U.S. dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all holders of Securities scheduled to receive U.S. dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs shall be borne by the holder of this Security by deductions from such payments. If three such bid quotations are not available, payments on this Security shall be made in the Specified Currency.

Unless otherwise indicated herein, if the Specified Currency is other than U.S. dollars, the holder of this Security may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Security in the Specified Currency (a “*Specified Currency Payment Election*”) by submitting a written request for such payment to the Fiscal Agent at its corporate trust office in The City of New York on or prior to the applicable Regular Record Date or at least 15 calendar days prior to the payment of any principal or premium, as the case may be. Such written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. The holder of this Security may elect to receive all or a specified portion of all future payments in the Specified Currency in respect of such principal, premium, if any, and/or interest and need not file a separate election for each payment. Such election shall remain in effect until revoked by written notice to the Fiscal Agent, but written notice of any such revocation must be received by the Fiscal Agent on or prior to the Regular Record Date or at least 16 calendar days prior to the payment of any principal or premium, as the case may be.

If the Specified Currency is a currency other than U.S. dollars, and a Specified Currency Payment Election is duly made pursuant to the preceding paragraph, the Issuer will make payments by wire transfer of immediately available funds to any account that is maintained in the applicable Specified Currency at a bank designated by the holder and is acceptable to the Issuer and the Paying Agent. To designate an account for wire payment, the holder, as of the applicable Regular Record Date, must give the Paying Agent appropriate wire instructions at least 5 Business Days before the requested wire payment is due. In the case of any interest payment due on an Interest Payment Date, the instructions must be given by the person or entity who is the holder on the Regular Record Date. In the case of any other payment, the payment will be made only after this Security is surrendered to the Paying Agent. Any instructions, once properly given, will remain in effect unless and until new instructions are properly given in the manner described above.

(Face of Security continued on next page)

The Issuer covenants that until this Security has been delivered to the Fiscal Agent for cancellation, or monies sufficient to pay the principal of (and premium, if any, on) and interest on this Security have been made available for payment and either paid or returned to the Issuer as provided herein, it will at all times maintain a Paying Agent and Transfer Agent with offices or agencies in the Borough of Manhattan, The City of New York for the payment of the principal of (and premium, if any, on) and interest on the Securities as herein provided.

Notwithstanding the foregoing, if any amount payable on this Security is payable on any day (including at maturity) in a Specified Currency other than U.S. dollars, and if such Specified Currency is not available to the Issuer on the two Business Days before such day, due to the imposition of exchange controls, disruption in a currency market or any other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligation to pay such amount in such Specified Currency by making such payment in U.S. dollars. The amount of such payment in U.S. dollars shall be determined by the Exchange Rate Agent on the basis of the noon buying rate for cable transfers in The City of New York for such Specified Currency (the “**Exchange Rate**”) as of the latest day before the day on which such payment is to be made. Any payment made under such circumstances in U.S. dollars where the required payment is in other than U.S. dollars will not constitute an Event of Default under this Security.

The Issuer agrees to indemnify the holder of any Security against any loss incurred by such holder as a result of any judgment or order being given or made against the Issuer for any amount due hereunder and such judgment or order requiring payment in a currency (the “**Judgment Currency**”) other than the Specified Currency, and as a result of any variation between (i) the rate of exchange at which the Specified Currency amount is converted into the Judgment Currency for the purpose of such judgment or order and (ii) the rate of exchange at which such holder, on the date of payment of such judgment or order, is able to purchase the Specified Currency with the amount of the Judgment Currency actually received by such holder. The foregoing indemnity constitutes a separate and independent obligation of the Issuer and continues in full force and effect notwithstanding any such judgment or order as aforesaid. The term “rate of exchange” includes any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency.

Notwithstanding any provisions to the contrary contained herein, if the face of this Security specifies that an Addendum is attached hereto or that “**Other Terms**” apply, this Security shall be subject to the terms set forth in such Addendum or such “Other Terms”.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof or, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same effect as if set forth at this place.

(Face of Security continued on next page)


Unless the certificate of authentication hereon has been executed by the Fiscal Agent by manual signature, this Security shall not be valid or obligatory for any purpose.

(Face of Security continued on next page)

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

Dated: March 19, 2014

AUSTRALIA AND NEW ZEALAND BANKING
GROUP LIMITED

By 
Name: ADRIAN WENT
Title: ACTING GROUP
TREASURER.

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein and referred to in the within-mentioned Fiscal Agency Agreement.

THE BANK OF NEW YORK MELLON
as Fiscal Agent

By 
Authorized Signatory
Ariene Theiwell
Vice President

Dated: March 19, 2014

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Australia and New Zealand Banking Group Limited

[Reverse of Fixed Rate Subordinated Notes (Subject to Conversion)]

- 1 This Security is one of a duly authorized issue of securities of the Issuer (herein called the “**Securities**”), issued and to be issued in one or more series in accordance with an Amended and Restated Fiscal Agency Agreement, dated as of March 11, 2014 (as amended, from time to time, herein called the “**Fiscal Agency Agreement**”), between the Issuer and The Bank of New York Mellon, as Fiscal Agent (herein called the “**Fiscal Agent**”, which term includes any successor fiscal agent under the Fiscal Agency Agreement), to which Fiscal Agency Agreement reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Issuer, the Fiscal Agent and the holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. Copies of the Fiscal Agency Agreement are on file and available for inspection at the corporate trust office of the Fiscal Agent in the Borough of Manhattan, The City of New York. This Security is one of the series (this “**series**”) designated on the face hereof, limited in aggregate Principal Amount to U.S.\$25,000,000,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) outstanding at any one time (which amount may be increased at the option of the Issuer if in the future it determines that it may wish to sell additional Securities of this series).

The Securities of this series are unsecured, direct, subordinated and general obligations of the Issuer and will rank in a Winding Up of the Issuer behind all claims of Other Creditors (as defined in Section 7), and, subject to Section 8A, *pari passu* with Equal Ranking Securities (as defined in Section 7) and ahead of Junior Ranking Securities (as defined in Section 7). The Securities of this series will not constitute deposit liabilities or protected accounts of the Issuer in the Commonwealth of Australia for the purposes of the Banking Act 1959 of the Commonwealth of Australia and are not insured by the Federal Deposit Insurance Corporation or any other government, governmental agency or compensation scheme of Australia, the United States or any other jurisdiction or by any party.

- 2 The Securities of this series are issuable in fully registered form and rank *pari passu* without any discrimination, preference or priority among them whatsoever. Unless otherwise specified on the face of the Security, the Securities of this series are issuable in the authorized minimum denomination of U.S.\$200,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) and integral multiples of U.S.\$1,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) above that amount.
- 3 The interest payable on any Interest Payment Date shall be the amount of interest accrued from, and including, the immediately preceding Interest Payment Date to

(Reverse of Security continued on next page)

which interest has been paid or duly provided for (or, if no interest has yet been paid, from and including the Issue Date), to, but excluding, such Interest Payment Date or the Stated Maturity or such earlier date as the Principal Amount shall become due in accordance with the terms hereof, as the case may be.

Payments of interest hereon with respect to any Interest Payment Date or at maturity will include interest accrued to but excluding such Interest Payment Date or such maturity date, as the case may be. Interest hereon shall be computed on the basis of a 360-day year of twelve 30-day months unless an Alternative Day Count Convention is specified on the face hereof.

Unless otherwise specified on the face hereof, if any Interest Payment Date for this Security falls on a day that is not a Business Day, the interest payment shall be postponed to the next succeeding Business Day, and no interest on such payment shall accrue for the period from and after the Interest Payment Date. If the maturity date or any earlier redemption date with respect to this Security falls on a day that is not a Business Day, the payment of principal, premium, if any, and interest otherwise due on such day will be made on the next succeeding Business Day, and no interest on such payment shall accrue for the period from and after such maturity date or redemption date, as the case may be.

Unless otherwise specified on the face hereof: “Business Day”:

- (a) for the purposes of Sections 8A.1 to 8A.4 and, if Option 1 (Section 8A.2) applies to this Security, Section 9A, means a day which is a business day within the meaning of the listing rules of the Australian Securities Exchange, or any successor (“**ASX**”) as amended, varied or waived (whether in respect of the Issuer or generally) from time to time (“**ASX Listing Rules**”); and
- (b) for all other purposes of this Security, means each Monday, Tuesday, Wednesday, Thursday and Friday that (i) is not a day on which banking institutions in The City of New York or the City of Sydney, Australia generally are authorized or obligated by law, regulation or executive order to close, (ii) if the Specified Currency for any payment on this Security is other than U.S. dollars or euros, is not a day on which banking institutions in the Principal Financial Center (as defined below) of the country issuing such Specified Currency generally are authorized or obligated by law, regulation or executive order to close, (iii) if the Specified Currency for any payment on this Security is euros, is a Euro Business Day (as defined below) and (iv) solely with respect to any payment or other action to be made or taken at any Place of Payment outside The City of New York, is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in such

(Reverse of Security continued on next page)

Place of Payment generally are authorized or obligated by law, regulation or executive order to close.

“Euro Business Day” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor system, is open for business.

“Principal Financial Center” means the capital city of the country issuing the Specified Currency, except, with respect to Australian dollars, Canadian dollars, New Zealand dollars, South African rand and Swiss francs, the Principal Financial Center shall be Sydney, Toronto, Auckland, Johannesburg and Zurich, respectively.

References in this Security to **“U.S. dollars”** shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in the United States of America.

References in this Security to the **“euro”** shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in all EMU Countries. **“EMU Countries”** means, at any time, the countries then participating in the European Economic and Monetary Union (or any successor union) that, as of that time, have adopted a single currency pursuant to the Treaty on European Union of February 1992 (or any successor treaty), as it may be amended from time to time.

References in this Security to a particular currency other than U.S. dollars and euros shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in the country issuing such currency on the Issue Date.

If the Specified Currency for any payment on this Security is other than U.S. dollars, the Issuer has initially appointed the institution named on the face of this Security as Exchange Rate Agent to act as such agent with respect to this Security, but the Issuer may, in its sole discretion, appoint any other institution (including any affiliate of the Issuer) to serve as such agent from time to time. The Issuer will give the Fiscal Agent prompt written notice of any change in any such appointment. Insofar as this Security provides for any such agent to obtain rates, quotes or other data from a bank, dealer or other institution for use in making any determination hereunder, such agent may do so from any institution or institutions of the kind contemplated hereby notwithstanding that any one or more of such institutions are any such agent, affiliates of any such agent or affiliates of the Issuer.

All determinations made by the Exchange Rate Agent may be made by such agent in its sole discretion and, absent manifest error, shall be conclusive for all purposes and binding on the holder of this Security and the Issuer. The Exchange Rate Agent shall not have any liability therefor.

(Reverse of Security continued on next page)

- 4 The Issuer shall maintain in the Borough of Manhattan, The City of New York, an office or agency where Securities of this series may be surrendered for registration of transfer or exchange. The Issuer has initially appointed the corporate trust office of the Fiscal Agent in the Borough of Manhattan, The City of New York, as its agent (a “*Transfer Agent*”) for such purpose and has agreed to cause to be kept at such office a register in which, subject to such reasonable regulations as it may prescribe, the Issuer will provide for the registration of Securities and registration of transfers of Securities. The Issuer reserves the right to vary or terminate the appointment of the Fiscal Agent as security registrar or of any Transfer Agent or to appoint additional or other registrars or Transfer Agents or to approve any change in the office through which any security registrar or any Transfer Agent acts, provided that there will at all times be a security registrar in the Borough of Manhattan, The City of New York.

The transfer of this Security is registrable on the aforementioned register upon surrender of this Security at the corporate trust office of the Fiscal Agent or any Transfer Agent duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the registered holder thereof or his attorney duly authorized in writing. Upon such surrender of this Security for registration of transfer, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of like tenor and form, dated the date of authentication thereof, of an authorized denomination or authorized denominations and of a like aggregate Principal Amount.

At the option of the registered holder upon request confirmed in writing, Securities may be exchanged for Securities of an authorized denomination or authorized denominations and of a like tenor, form and aggregate Principal Amount upon surrender of the Securities to be exchanged at the office of any Transfer Agent or at the corporate trust office of the Fiscal Agent. Whenever any Securities are so surrendered for exchange, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver, the Securities which the registered holder making the exchange is entitled to receive. Any registration of transfer or exchange will be effected upon the Transfer Agent or the Fiscal Agent, as the case may be, being satisfied with the documents of title and identity of the person making the request and subject to such reasonable regulations as the Issuer may from time to time agree with the Transfer Agents and the Fiscal Agent.

In the event of a redemption of the Securities in part, the Issuer shall not be required (i) to register the transfer of or exchange any Security during a period beginning at the opening of business 15 calendar days before, and continuing until, the date notice is given identifying the Securities to be redeemed, or (ii) to register the transfer of or exchange any Security, or portion thereof, called for redemption.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Issuer, evidencing the same debt, and

(Reverse of Security continued on next page)

entitled to the same benefits, as the Securities surrendered upon such registration of transfer or exchange. No service charge shall be made for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith, other than an exchange in connection with a partial redemption of a Security not involving any registration of a transfer.

Prior to due presentment of this Security for registration of transfer, the Issuer, the Fiscal Agent and any agent of the Issuer or the Fiscal Agent may treat the person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Issuer nor the Fiscal Agent or any such agent shall be affected by notice to the contrary.

5 The Issuer shall pay to the Fiscal Agent at its principal corporate trust office in the Borough of Manhattan, The City of New York, on or prior to each Interest Payment Date, any Redemption Date and the maturity date of this Security, in such amounts sufficient (with any amounts then held by the Fiscal Agent and available for the purpose) to pay the interest on, the redemption price of and accrued interest (if the Redemption Date is not an Interest Payment Date) on, and the principal of, the Securities due and payable on such Interest Payment Date, Redemption Date or maturity date, as the case may be. The Fiscal Agent shall apply the amounts so paid to it to the payment of such interest, redemption price and principal in accordance with the terms of the Fiscal Agency Agreement and this Security.

Any monies paid by the Issuer to a Paying Agent for the payment of the principal of (and premium, if any) or interest on any Securities and remaining unclaimed at the end of two years after such principal, premium or interest shall have become due and payable (whether at maturity, upon call for redemption or otherwise) shall then be repaid (without interest) to the Issuer, and upon such repayment all liability of the Fiscal Agent with respect thereto shall cease, without, however, limiting in any way any obligation the Issuer may have to pay the principal of (and premium, if any) and interest on this Security as the same shall become due.

6 (a) All payments of, or in respect of, principal of, and any premium and interest on this Security will be made without withholding or deduction for, or on account of, any taxes, assessments or other governmental charges (“**Relevant Tax**”) imposed or levied by or on behalf of Australia or any political subdivision or taxing authority in or of Australia and/or where the Issuer is acting through a branch, the jurisdiction in which the branch is located or any political subdivision or taxing authority in or of that jurisdiction (each a “**Relevant Jurisdiction**”) unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts of, or in respect of, the principal of, and any premium and interest on, this Security (“**Additional Amounts**”) as will result (after deduction of such taxes, duties, assessments or governmental charges and

(Reverse of Security continued on next page)

any additional taxes, duties, assessments or governmental charges payable in respect of such Additional Amounts) in the payment to the holder of this Security of the amounts which would have been payable in respect of this Security had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

- (i) to the extent that the Relevant Tax is imposed or levied by virtue of the holder, or the beneficial owner, of this Security having some connection (whether present, past or future) with a Relevant Jurisdiction, other than mere receipt of such payment or being a holder, or the beneficial owner, of this Security;
- (ii) to the extent that the Relevant Tax is imposed or levied by virtue of the holder, or the beneficial owner, of this Security not complying with any statutory requirements or not having made a declaration of non-residence in, or lack of connection with, a Relevant Jurisdiction or any similar claim for exemption (including supplying an appropriate tax file number or Australian Business Number), if the Issuer, or any other agent of the Issuer, has provided a holder, or beneficial owner, of this Security with at least 60 days' prior written notice of an opportunity to comply with such statutory requirements or make a declaration or claim;
- (iii) to the extent that the Relevant Tax is imposed or levied by virtue of a holder, or beneficial owner, of this Security having presented for payment more than 30 days after the date on which the payment in respect of this Security first became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (iv) to the extent that the Relevant Tax is imposed or levied by virtue of a holder of this Security being an Offshore Associate of the Issuer (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of the Commonwealth of Australia). "*Offshore Associate*" means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 of the Commonwealth of Australia and successor legislation) of the Issuer that is either a non-resident of Australia which does not acquire this Security in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires this Security in carrying on business at or through a permanent establishment outside of Australia;
- (v) to the extent that the Relevant Tax is imposed or levied as a result of the holder being party to or participating in a scheme which had the dominant purpose of avoiding tax, being a scheme which the Issuer was neither a party to nor participated in;

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- (vi) to the extent that the Relevant Tax is imposed or levied by virtue of a holder, or the beneficial owner, of this Security having presented this Security for payment in a Relevant Jurisdiction, unless this Security could not have been presented for payment elsewhere; or
- (vii) any combination of the above.

In addition, any amounts to be paid on this Security will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (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 intergovernmental agreement 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.

(b) No Additional Amounts shall be paid with respect to any payment of, or in respect of, the principal of, or any premium or interest on, this Security to any such holder who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent such payment would, under the laws of the Commonwealth of Australia or any political subdivision or taxing authority thereof or therein, be treated as being derived or received for tax purposes by a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had it been the holder of this Security.

(c) Whenever in this Security there is mentioned, in any context, any payment of, or in respect of, the principal of, or any premium or interest on, this Security, such mention shall be deemed to include mention of the payment of Additional Amounts provided for in Section 6(a) to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of such Section.

(d) At least 10 days prior to each date on which any payment under or with respect to this Security is due and payable, if the Issuer will be obligated to pay Additional Amounts with respect to such payment, the Issuer will deliver to the Fiscal Agent and the Paying Agent an Officer’s Certificate (as hereinafter defined) stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the Fiscal Agent and such Paying Agent to pay such Additional Amounts to the holders on the payment date; ***provided, however,*** that if 10 days prior to each date on which any such payment is due and payable the amount of such payment has not yet been determined, the Issuer shall notify the Fiscal Agent of such amount promptly after such amount has been determined.

7 (a) Prior to the commencement of a Winding Up of the Issuer (as hereinafter defined) (i) the obligations of the Issuer to make any payment of the principal of, premium (if any) and interest on or any other amounts (including Additional Amounts) shall be deemed to be satisfied to the extent of any such payment made by the Issuer; and (ii) the obligations of the Issuer to make any such payment shall be deemed to be satisfied to the extent of any such payment made by the Issuer.

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Amounts) payable in respect of this Security shall be conditional upon the Issuer being Solvent (as hereinafter defined) at the time the obligation to make such payment falls due and (ii) no payment of principal, premium (if any), interest, Additional Amounts or any other amount payable in respect of this Security shall be made in respect of this Security except to the extent that the Issuer may make any such payment and still be Solvent immediately thereafter.

For the purposes of this Section 7, the Issuer shall be considered to be “Solvent” if (A) the Issuer is able to pay all its debts as and when they become due and payable and (B) the Issuer's assets exceed its liabilities, in each case determined on an unconsolidated stand-alone basis. A certificate as to whether the Issuer is Solvent signed by two authorised officers of the Issuer, an auditor of the Issuer or, if the Issuer is being wound up, its liquidator, shall be conclusive evidence of the information contained therein in the absence of willful default, bad faith or manifest error. Neither the Fiscal Agent nor any Paying Agent is obliged to obtain any such certificate prior to any due date for payment of any amount in respect of this Security or at any other time. In the absence of such a certificate, the Fiscal Agent, each Paying Agent and the holder of this Security shall be entitled to assume (unless the contrary is proved) that the Issuer is Solvent and will be Solvent immediately after any payment referred to above is made.

(b) On the Winding-Up of the Issuer, the rights and claims of the holder of this Security against the Issuer to recover any sums payable in respect of this Security shall be subordinate and junior in right of payment to the obligations of the Issuer to Other Creditors (as hereinafter defined), to the extent that all obligations of the Issuer to Other Creditors shall be entitled to be paid in full prior to any payment of the principal of, premium (if any) or interest on or any other amounts (including Additional Amounts) payable in respect of this Security and, subject to Section 8A, shall rank *pari passu* with Equal Ranking Securities and ahead of Junior Ranking Securities.

(c) If there is a Winding Up in respect of the Issuer and, notwithstanding paragraph (b) above, the Fiscal Agent, the Paying Agent or the holder of this Security receives any payment or distribution of the assets of the Issuer of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Issuer being subordinated to the payment of this Security, before all the claims of Other Creditors are paid in full or payment thereof is duly provided for, and if such fact shall, at or prior to the time of such payment or distribution, have been made known to the Fiscal Agent, the Paying Agent or, as the case may be, the holder of this Security, then and in such event such payment or distribution shall be paid over or delivered forthwith to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other person making payment or distribution of assets of the Issuer for application to the payment of all claims of the Other Creditors remaining unpaid, to the extent necessary to pay all such claims in full, after giving effect to any concurrent payment or distribution to or for the account of the Other Creditors.

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(d) Neither the Issuer nor a holder of this Security has any contractual right to set off any sum at any time due and payable to a holder or the Issuer (as applicable) under or in relation to this Security against amounts owing by the holder to the Issuer or by the Issuer to the holder (as applicable).

(e) On a Winding Up of the Issuer, the holder of this Security shall only be entitled to prove for any sums payable in respect of this Security as a debt which is subject to and contingent upon prior payment in full of the obligations of the Issuer to the Other Creditors, and the holder of this Security waives to the fullest extent permitted by law any right to prove in the Winding Up as a creditor of the Issuer ranking for payment in any other manner.

(f) The provisions of this Section shall not affect or prejudice the payment of any amounts by the Issuer in respect of costs, charges, expenses, liabilities, indemnities or remuneration of the Fiscal Agent or any Paying Agent pursuant to the Fiscal Agency Agreement or the rights and remedies of the Fiscal Agent or the Paying Agent in respect thereof.

(g) For the purposes of this Section 7, “*Other Creditors*” means all present and future creditors of the Issuer (including but not limited to depositors of the Issuer and holders of any other instruments issued before 1 January 2013 as a Tier 2 Capital Security) whose claims (i) would be entitled to be admitted in the Winding Up of the Issuer and (ii) are not in respect of Equal Ranking Securities or Junior Ranking Securities.

(h) For the purposes of this Section 7 and Section 9, “Winding Up” shall mean any procedure whereby the Issuer may be wound-up, dissolved, liquidated or cease to exist as a body corporate whether brought or instigated by a holder of this Security or any other person and whether or not involving insolvency or bankruptcy, but shall exclude any Winding Up under or in connection with a scheme of amalgamation or reconstruction not involving our bankruptcy or insolvency where the obligations of the Issuer are assumed by a successor to which all, or substantially all, of the property, assets and undertaking of the Issuer are transferred or where an arrangement with similar effect not involving a bankruptcy or insolvency is implemented.

(i) For the purposes of this Section 7, “*Equal Ranking Securities*” means any instrument that ranks in a Winding Up of the Issuer as the most junior claim in the Winding Up of the Issuer ranking senior to Junior Ranking Securities, and includes (i) the Perpetual Capital Floating Rate Notes issued under the trust deed dated 30 October 1986 between the Issuer and Bankers Trustee Company Limited, as amended from time to time (except in so far as such amendment is inconsistent with such ranking) and (ii) any other instruments issued after 1 January 2013 as Relevant Tier 2 Securities (as defined in Section 8A.4).

(j) For the purposes of this Section 7, “*Junior Ranking Securities*” means any instrument that (i) qualifies as Tier 1 Capital (as defined in Section 8A.4) or,
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in the case of any instrument issued prior to 1 January 2013, was treated as constituting Tier 1 Capital in accordance with the prudential standards which applied to ANZ prior to 1 January 2013 irrespective of whether or not such instrument is treated as constituting Tier 1 Capital in accordance with any transitional arrangements approved by the Australian Prudential Regulation Authority or any authority succeeding to its powers and responsibilities (“APRA”) and (ii) by its terms is, or is expressed to be, subordinated in a Winding Up of the Issuer to the claims of holders of the Securities of this series and other Equal Ranking Securities.

(k) Any amount not paid due to Section 7(a) or Section 9(d), remains a debt owing to the holder of this Security by the Issuer until it is paid and will be payable on the first date on which payment can be made in compliance with the relevant Section.

8 (a) If specified on the face of this Security and subject to the prior written approval of APRA having been obtained, the Securities of this series may be redeemed, as a whole but not in part, at the option of the Issuer, at a redemption price equal to 100% of the Principal Amount of the Securities to be redeemed together with interest accrued to the date fixed for redemption, if a Regulatory Event occurs, *provided, however*, that (1) the Issuer shall deliver to the holder of this Security an opinion of counsel confirming that the conditions that must be satisfied for such redemption have occurred and (2) the Issuer will not be permitted to redeem this Security unless the Security is replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Security is done under conditions that are sustainable for the Issuer’s income capacity or APRA is satisfied that the Issuer’s capital position is well above its minimum capital requirements after the Issuer elects to redeem this Security. Immediately prior to the giving of any notice of redemption of Securities pursuant to this subsection (b), the Issuer will deliver to the Fiscal Agent an Officer’s Certificate stating that the Issuer is entitled to effect such redemption and setting forth in reasonable detail a statement of facts showing that the conditions precedent to the right of the Issuer to so redeem the Securities have occurred.

For the purposes of this Security, “*Regulatory Event*” shall mean the receipt by the directors of the Issuer of (x) an opinion from a reputable legal counsel that as a result of any amendment to, clarification of or change (including any announcement of a prospective change) in, any law or regulation in any Relevant Jurisdiction, or any official administrative pronouncement or action or judicial decision interpreting or applying such laws or regulations, which amendment, clarification or change is effective, or pronouncement, action or decision is announced, on or after the Issue Date or (y) an official written statement from APRA that, in each case, the Issuer is not or will not be entitled to treat all Securities of a series as Tier 2 Capital (as defined in Section 8A.4), provided that, in each case, on the Issue Date, the Issuer did not expect that matters giving rise to the Regulatory Event would occur.

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For the purposes of this Security, “*Regulatory Capital*” shall mean a Tier 1 Capital Security or a Tier 2 Capital Security.

(b) If a Redemption Commencement Date is specified on the face hereof, this Security is subject to redemption, at any time on or after the Redemption Commencement Date (which may not be before the fifth anniversary of the Issue Date of this Security), as a whole or in part, at the option of the Issuer (but subject to the prior written approval of APRA having been obtained and provided that the Issuer will not be permitted to redeem this Security unless the Security is replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Security is done under conditions that are sustainable for the Issuer’s income capacity or APRA is satisfied that the Issuer’s capital position is well above its minimum capital requirements after the Issuer elects to redeem this Security), at the Redemption Price specified on the face hereof (expressed as a percentage of the Principal Amount of this Security) applicable to the Redemption Period specified on the face hereof, together in the case of any such redemption with accrued interest (unless such date is an Interest Payment Date) to the Redemption Date (but interest installments due on or prior to the Redemption Date will be payable to the holder of record of this Security at the close of business on the relevant record dates).

(c) In the case of any partial redemption of Securities, the Issuer will give the holder written notice of the Principal Amount of the Securities to be redeemed not less than 30 days nor more than 60 days prior to the Redemption Date unless otherwise specified in the relevant Pricing Supplement for the Outstanding Securities of a like tenor not previously called for redemption, by such method as the Fiscal Agent shall deem fair and appropriate and which may provide for the selection for redemption of portions equal to at least the minimum authorized denomination of such Securities.

(d) Notices to redeem Securities shall be given in writing mailed, first-class postage prepaid, to each holder of Securities at his address as it appears in the register hereinabove referred to. Such notice will be given once not more than 60 days nor less than 30 days prior to the date fixed for redemption. If by reason of the suspension of regular mail service, or by reason of any other cause, it shall be impracticable to give notice to the holders of Securities in the manner prescribed herein, then such notification in lieu thereof as shall be made by the Issuer or by the Fiscal Agent on behalf of and at the instruction of the Issuer shall constitute sufficient provision of such notice, if such notification shall, so far as may be practicable, approximate the terms and conditions of the mailed notice in lieu of which it is given. Neither the failure to give notice nor any defect in any notice given to any particular holder of a Security shall affect the sufficiency of any notice with respect to that holder or any other holders. Such notices will be deemed to have been given on the date of such mailing. Notices to redeem Securities shall specify the date fixed for redemption, the applicable redemption price, the place or places of payment, that payment will be made upon presentation and surrender of the Securities to be redeemed (or portion thereof in the case of a partial redemption), that interest accrued to the date fixed for redemption (unless such date is an

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Interest Payment Date) will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue. If the redemption is pursuant to Section 8(a) hereof, such notice shall also state that the conditions precedent to such redemption have occurred and state that the Issuer has elected to exercise its option to redeem the Securities pursuant to Section 8(a).

(e) Any Security which is to be redeemed only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the unredeemed portion of the principal of the Registered Security so surrendered.

(f) The Issuer and any of its Related Entities (as defined in Section 8A.4) may, to the extent permitted by applicable laws and regulations, at any time purchase this Security in the open market or otherwise, provided that the Issuer may not purchase, or procure that any of its Related Entities purchase, any Security without the prior written consent of APRA.

Holders of this Security should not expect that APRA's approval will be given for any redemption or purchase of this Security.

8A.1 A “**Non-Viability Trigger Event**” means the earlier of:

- (a) the issuance to the Issuer of a written determination from APRA that conversion or write-off of Relevant Securities is necessary because, without it, APRA considers that the Issuer would become non-viable; or
- (b) a determination by APRA, notified to the Issuer in writing, that without a public sector injection of capital, or equivalent support, the Issuer would become non-viable,

each such determination being a “**Non-Viability Determination**”.

8A.2 **OPTION 1: CONVERSION WITH A FALL BACK TO WRITE-OFF**

- (a) If a Non-Viability Trigger Event occurs:
 - (i) on the Trigger Event Date, subject only to subsection (e) of this Section 8A.2, such Principal Amount of the Securities will immediately Convert as is required by the Non-Viability Determination provided that, where such Non-Viability Determination does not require all Relevant Securities to be converted into Ordinary Shares or written-off, such Principal Amount of the Securities shall Convert as is sufficient (determined by the

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Issuer in accordance with subsection (a)(ii) of this Section 8A.2) to satisfy APRA that the Issuer is viable without further conversion or write-off;

(ii) the Issuer will determine the Principal Amount of Securities which must be Converted in accordance with subsection (a)(i) of this Section 8A.2, on the following basis:

(A) first, convert into Ordinary Shares or write-off all Relevant Tier 1 Securities; and

(B) secondly, if conversion into Ordinary Shares or write-off of all Relevant Tier 1 Securities is not sufficient to satisfy the requirements of subsection (a)(i) of this Section 8A.2 (and provided that as a result of the conversion or write-off of Relevant Tier 1 Capital Securities APRA has not withdrawn the Non-Viability Determination), Convert a Principal Amount of Securities and convert into Ordinary Shares or write-off a number or principal amount of other Relevant Tier 2 Securities on an approximately pro-rata basis or in a manner that is otherwise, in the opinion of the Issuer, fair and reasonable (subject to such adjustment as the Issuer may determine to take into account the effect on marketable parcels and the need to round to whole numbers the number of Ordinary Shares and the authorized denominations of the Principal Amount of any Securities or the number or principal amount of other Relevant Tier 2 Securities remaining on issue, and the need to effect the conversion immediately) and, for the purposes of the foregoing, where the specified currency of the principal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable,

provided that such determination does not impede or delay the immediate Conversion of the relevant Principal Amount of Securities;

(iii) on the Trigger Event Date, the Issuer shall determine the Securities or portions thereof as to which the Conversion is to take effect and in making that determination may make any decisions with respect to the identity of the holders of Securities at that time as may be necessary or desirable to ensure Conversion occurs in an orderly manner, including disregarding any transfers of Securities that have not been settled or registered at that time;

(iv) the Issuer must give notice of its determination pursuant to subsection (a)(iii) of this Section 8A.2 (a "**Trigger Event Notice**") as soon
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as practicable to the Fiscal Agent and holders of Securities, which must specify:

- (A) the Trigger Event Date;
 - (B) the Principal Amount of the Securities Converted; and
 - (C) the relevant number or principal amount of other Relevant Securities converted or written-off;
- (v) none of the following events shall prevent, impede or delay the Conversion of Securities as required by subsection (a)(i) of this Section 8A.2:
- (A) any failure or delay in the conversion or write-off of other Relevant Securities;
 - (B) any failure or delay in giving a Trigger Event Notice; and
 - (C) any failure or delay in quotation of Ordinary Shares to be issued on Conversion; and
- (vi) from the Trigger Event Date, the Issuer shall treat the holder of any Security which is required to be Converted as the holder of the relevant number of Ordinary Shares and will take all such steps, including updating any register, required to record the Conversion and the issuance of such Ordinary Shares.
- (b) Where a Principal Amount of Securities is required to be Converted under this Section 8A.2, a holder of Securities that are subject to Conversion wishing to receive Ordinary Shares must, no later than the Trigger Event Date (or, in the case where Section 8A.2(d)(v) applies, within 30 days of the date on which Ordinary Shares are issued upon such Conversion), have provided to the Issuer:
- (i) its name and address (or the name and address of any person in whose name it directs the Ordinary Shares to be issued) for entry into any register of title and receipt of any certificate or holding statement in respect of any Ordinary Shares;
 - (ii) the security account details of such holder of Securities in CHESS (being the Clearing House Electronic Subregister System of Australia operated by the ASX or its affiliates or successors) or such other account to which the Ordinary Shares may be credited; and

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- (iii) such other information as is reasonably requested by the Issuer for the purposes of enabling it to issue the Conversion Number of Ordinary Shares to the holder of Securities.
- (c) Subject to Section 8A.2(d) and Section 8A.2(e), if, in respect of a Conversion of Securities, the Issuer fails to issue, on the Trigger Event Date, the Conversion Number of Ordinary Shares in respect of the Principal Amount of such Securities to, or in accordance with the instructions of, the relevant holder of Securities on the Trigger Event Date or any other nominee where Section 8A.2(d) applies, the Principal Amount of such Securities which would otherwise be subject to Conversion shall remain on issue and outstanding until:
 - (i) the Ordinary Shares are issued to, or in accordance with the instructions of, the holder of such Securities; or
 - (ii) such Securities are Written-Off in accordance with the terms hereof;

provided, however, that the sole right of the holder of Securities in respect of Securities that are subject to Conversion is its right to be issued Ordinary Shares upon Conversion (subject to its compliance with Section 8A.2(b) or to receive the proceeds from their sale pursuant to Section 8A.2(d), as applicable) and the remedy of such holder in respect of the Issuer's failure to issue the Ordinary Shares is limited (subject always to Section 8A.2(e)) to seeking an order for specific performance of the Issuer's obligation to issue the Ordinary Shares to the Holder or where Section 8A.2(d) applies to the nominee and to receive such proceeds of sale, in each case, in accordance with the terms of the Securities. This Section 8A.2(c) does not affect the obligation of the Issuer to issue the Ordinary Shares when required in accordance with the terms hereof.

- (d) If, in respect of a Security and a holder of that Security, the Security is required to be Converted and:
 - (i) the holder of the Security has notified the Issuer that it does not wish to receive Ordinary Shares as a result of the Conversion (whether entirely or to the extent specified in the notice), which notice may be given at any time prior to the Trigger Event Date;
 - (ii) the Securities are held by a registered holder of the Security whose address in the register is a place outside Australia or who the Issuer otherwise believes may not be a resident of Australia (a "**Foreign Holder**"); or
 - (iii) for any reason (whether or not due to the fault of the holder of the Security) the Issuer has not received the information required by subsection (b) of this Section 8A.2 prior to the Trigger Event Date and the

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lack of such information would prevent the Issuer from issuing the Ordinary Shares to the holder of the Security on the Trigger Event Date,

then, on the Trigger Event Date:

- (iv) where subsection (d)(i) or (d)(ii) of this Section 8A.2 applies, the Issuer shall issue the Ordinary Shares to the holder of the Security only to the extent (if at all) that:
 - (A) where subsection (d)(i) of this Section 8A.2 applies, the holder of the Security has notified the Issuer that it wishes to receive them;
 - (B) where subsection (d)(ii) of this Section 8A.2 applies, the Issuer is satisfied that the laws of both the Commonwealth of Australia and the Foreign Holder's country of residence permit the issue of Ordinary Shares to the Foreign Holder (but as to which the Issuer is not bound to enquire), either unconditionally or after compliance with conditions which the Issuer in its absolute discretion regards as acceptable and not unduly onerous;

and, to the extent the Issuer is not obliged to issue Ordinary Shares to the holder of the Security, the Issuer will issue the balance of the Ordinary Shares to the nominee in accordance with subsection (d)(v); and

- (v) otherwise, subject to applicable law, the Issuer will issue the balance of Ordinary Shares in respect of the holder of the Security to a competent nominee (which may not be the Issuer or any of its Related Entities) and will promptly notify such holder of the name of and contact information for the nominee and the number of Ordinary Shares issued to the nominee on its behalf and, subject to applicable law and:
 - (A) subject to subsection (d)(v)(B) of this Section 8A.2, the nominee will as soon as reasonably possible and no later than 35 days after issue of the Ordinary Shares sell those Ordinary Shares and pay a cash amount equal to the net proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to the holder of the Security; and
 - (B) where subsection (d)(iii) of this Section 8A.2 applies, the nominee will hold such Ordinary Shares and will transfer Ordinary Shares to such holder promptly after such holder provides the nominee with the information required to be provided by such holder under Section 8A.2(b) (as if a reference in subsection (iii) of Section 8A.2(b) to the Issuer is a reference to the nominee and a reference to the issue of Ordinary Shares is a reference to the transfer of Ordinary Shares) but only where such information is provided to
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the nominee within 30 days of the date on which Ordinary Shares are issued to the nominee upon Conversion of such Security and failing which the nominee will sell the Ordinary Shares and pay the proceeds to such holder in accordance with subsection (d)(v)(A) of this Section 8A.2; and

- (vi) nothing in this subsection (d) shall affect the Conversion of the Securities of a holder who is not a person to which any of subsections (d)(i) to (d)(iii) (inclusive) of this Section 8A.2 applies.
- (e) Notwithstanding any other provision of this Section 8A.2, where on the Trigger Event Date an Inability Event exists, and Conversion of the Principal Amount of the Securities that are subject to Conversion has not been effected within 5 Business Days after the relevant Trigger Event Date, (A) to the extent such event prevents the Issuer from Converting the Principal Amount of Securities which, but for this subsection (e), would be Converted, the Principal Amount of those Securities will not be Converted and instead will be Written-Off on the expiry of the 5th Business Day after the Trigger Event Date and (B) the Issuer shall notify the Fiscal Agent and the holders of the Notes of the foregoing as promptly as practically possible.
- (f) Each holder of Securities irrevocably:
 - (i) consents to becoming a member of the Issuer upon the Conversion of Securities as required by this Section 8A.2 and agrees to be bound by the constitution of the Issuer, in each case in respect of the Ordinary Shares issued to such holder on Conversion;
 - (ii) acknowledges and agrees that it is obliged to accept Ordinary Shares upon a Conversion of the Securities it holds notwithstanding anything that might otherwise affect a Conversion of such Securities including:
 - (A) any change in the financial position of the Issuer since the issue of such Securities;
 - (B) any disruption to the market or potential market for the Ordinary Shares or to capital markets generally; or
 - (C) any breach by the Issuer of any obligation in connection with such Securities;
 - (iii) acknowledges and agrees that where Section 8A.2(a) applies:
 - (A) there are no other conditions to a Non-Viability Trigger Event occurring as and when provided in Section 8A.1;

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- (B) Conversion must occur immediately on the occurrence of a Non-Viability Trigger Event and that may result in disruption or failures in trading or dealings in the Securities;
 - (C) it will not have any rights to vote in respect of any Conversion; and
 - (D) the Ordinary Shares issued on Conversion may not be quoted at the time of issue, or at all;
- (iv) acknowledges and agrees that where Section 8A.2(e) applies, no conditions or events will affect the operation of that Section and such holder will not have any rights to vote in respect of any Write-Off under that Section;
 - (v) acknowledges and agrees that such holder has no right to request a Conversion of any Securities or to determine whether (or in what circumstances) the Securities it holds are Converted; and
 - (vi) acknowledges and agrees that none of the following shall prevent, impede or delay the Conversion or (where relevant) Write-Off of the Securities:
 - (A) any failure to or delay in the conversion or write-off of other Relevant Securities;
 - (B) any failure or delay in giving a Trigger Event Notice or other notice required by this Section 8A.2;
 - (C) any failure or delay in quotation of the Ordinary Shares to be issued on Conversion;
 - (D) any failure or delay by a holder of a Security or any other party in complying with the provisions of Section 8A.2(h); and
 - (E) any requirement to select or adjust the number or principal amount of Securities to be Converted in accordance with Section 8A.2(a)(ii)(B).
- (g) For the purposes of this Section 8A.2 “*Written-Off*” shall mean that, in respect of a Security or portion thereof that is otherwise subject to Conversion and a Trigger Event Date:
 - (i) the Security or portion thereof that is otherwise subject to Conversion will not be Converted on that date and will not be Converted or redeemed under the terms hereof on any subsequent date; and

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- (ii) on and from the expiry of the fifth Business Day after the relevant Trigger Event Date, the rights of the relevant holder of the Security or portion thereof (including to any right to receive any payment thereunder including interest both future and as accrued but unpaid as at the Trigger Event Date) in relation to such Security or portion thereof are immediately and irrevocably terminated and written-off; and

“*Write-Off*” has a corresponding meaning.

- (h) Subject to Section 9A.1(c)(ii), any Security which is to be Converted or Written-Off only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of this series of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the non-Converted or non-Written-Off portion of the Principal Amount of the Security so surrendered.
- (i) A Non-Viability Determination takes effect, and the Issuer must perform the obligations in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day.
- (j) Where a Security is Converted or Written-Off only in part, then the amount of interest payable in respect of that Security on each Interest Payment Date falling after that Trigger Event Date will be reduced and calculated on the Principal Amount of that Security as reduced on the date of the Conversion or Write-Off.

8A.3 *OPTION 2: WRITE-OFF*

- (a) If a Non-Viability Trigger Event occurs:
 - (i) on the Trigger Event Date, such Principal Amount of the Securities will immediately be Written-Off as is required by the Non-Viability Determination provided that where such Non-Viability Determination does not require all Relevant Securities to be converted into Ordinary Shares or written-off, such Principal Amount of the Securities shall be immediately Written-Off as is sufficient (determined by the Issuer in accordance with subsection (a)(ii) of this Section 8A.3) to satisfy APRA that the Issuer is viable without further conversion or write-off;
 - (ii) the Issuer will determine the Principal Amount of Securities which must be Written-Off in accordance with subsection (a)(i) of this Section 8A.3, on the following basis:

(Reverse of Security continued on next page)

- (A) first, convert into Ordinary Shares or write-off all Relevant Tier 1 Securities; and
- (B) secondly, if conversion into Ordinary Shares or write-off of those Relevant Tier 1 Securities is not sufficient to satisfy the requirements of subsection (a)(i) of this Section 8A.3 (and provided that as a result of the conversion or write-off of Relevant Tier 1 Capital Securities APRA has not withdrawn the Non-Viability Determination), Write-Off a Principal Amount of Securities and convert into Ordinary Shares or write-off other Relevant Tier 2 Securities on an approximately pro-rata basis or in a manner that is otherwise, in the opinion of the Issuer, fair and reasonable and, for the purposes of the foregoing, where the specified currency of the principal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable,

provided that such determination does not impede or delay the immediate Write-Off of the relevant Principal Amount of Securities;

- (b) on the Trigger Event Date, the Issuer shall determine the Securities or portions thereof as to which the Write-Off is to take effect and in making that determination may make any decisions with respect to the identity of the holders of Securities at that time as may be necessary or desirable to ensure Write-Off occurs in an orderly manner, including disregarding any transfers of Securities that have not been settled or registered at that time;
- (c) the Issuer must give notice of its determination pursuant to subsection (b) of this Section 8A.3 (a "***Trigger Event Notice***") as soon as practicable to the Fiscal Agent and the holders of Securities, which must specify:
 - (i) the Trigger Event Date;
 - (ii) the Principal Amount of the Securities Written-Off ; and
 - (iii) the relevant number or principal amount of other Relevant Securities converted or written-off;
- (d) none of the following events shall prevent, impede or delay the Write-Off of Securities as required by subsection (a)(i) of this Section 8A.3:
 - (i) any failure or delay in the conversion or write-off of other Relevant Securities;

(Reverse of Security continued on next page)

- (ii) any failure or delay in giving a Trigger Event Notice;
 - (iii) any requirement to select or adjust the number or Principal Amount of Securities to be Written-Off in accordance with Section 8A.3(a)(ii)(B); and
 - (iv) any failure or delay by a holder of a Security or any other party in complying with the provisions of Section 8A.3(g).
- (e) Each holder of Securities irrevocably:
- (i) acknowledges and agrees that no conditions or events will affect the operation of this Section and such holder of Securities will not have any rights to vote in respect of any 8A.3 Write-Off under this Section; and
 - (ii) acknowledges and agrees that any failure or delay in Writing-Off a Security held by the holder pursuant to the provisions of Section 8A.3(g), shall not prevent, impede or delay the Write-Off of such Security.
- (f) For the purposes of this Section 8A.3 “**Written-Off**” shall mean that, in respect of a Security or portion thereof and a Trigger Event Date, the rights of the relevant holder of the Security (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date) in relation to such Security or portion thereof are immediately and irrevocably terminated and written-off, and “**Write-Off**” has a corresponding meaning.
- (g) Any Security which is to be Written-Off only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in the form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the non-Written-Off portion of the Principal Amount of the Security so surrendered.
- (h) A Non-Viability Determination takes effect, and the Issuer must perform the obligations in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day.
- (i) Where a Security is Written-Off only in part, then the amount of interest payable in respect of that Security on each Interest Payment Date falling after that Trigger Event Date will be reduced and calculated on the Principal Amount of that Security as reduced on the date of the Write-off.

(Reverse of Security continued on next page)

8A.4 For the purposes of this Security the following terms shall have the following meanings:

“**Control**” has the meaning given in the Corporations Act 2001 of the Commonwealth of Australia.

“**Controlled Entity**” shall mean, in respect of the Issuer, an entity the Issuer Controls.

“**Conversion**” shall mean, in relation to a Security, the conversion of the relevant Principal Amount of that Security into a number of Ordinary Shares in accordance with Schedule A, and **Convert** and **Converted** have corresponding meanings.

“**Inability Event**” shall mean the Issuer is prevented by applicable law or order of any court or action of any government authority (including regarding the insolvency winding-up or other external administration of the Issuer) or any other reason from Converting the Securities.

“**Issuer Group**” shall mean the Issuer and its Controlled Entities.

“**Level 1**”, “**Level 2**” and “**Level 3**” means those terms as defined by APRA from time to time.

“**Ordinary Share**” shall mean a fully paid ordinary share in the capital of the Issuer.

“**Related Entity**” has the meaning given by APRA from time to time.

“**Relevant Securities**” shall mean each of:

- (i) Relevant Tier 1 Securities; and
- (ii) Relevant Tier 2 Securities;

“**Relevant Tier 1 Security**” shall mean, where a Non-Viability Trigger Event occurs, a Tier 1 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

“**Relevant Tier 2 Security**” shall mean, where a Non-Viability Trigger Event occurs, a Tier 2 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

“**Tier 1 Capital**” shall mean the Tier 1 capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

(Reverse of Security continued on next page)

“**Tier 1 Capital Security**” means a share, note or other security or instrument constituting Tier 1 Capital.

“**Tier 2 Capital**” shall mean Tier 2 capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

“**Tier 2 Capital Security**” means a note or other security or instrument constituting Tier 2 Capital.

“**Trigger Event Date**” shall mean the date (whether or not a Business Day) on which APRA notifies the Issuer of a Non-Viability Trigger Event as contemplated in Section 8A.1.

- 9 (a) The following events or circumstances are “**Events of Default**” with respect to this Security and shall give rise to the limited remedies set out in this Section 9 only: (i) the making of an order by a court of the State of Victoria, Australia or of the Commonwealth of Australia or a court with appellate jurisdiction from any such court which is not successfully appealed or permanently stayed within 60 days of the entry of that order or the valid adoption by the shareholders of the Issuer of an effective resolution, which in each case is for the Winding Up of the Issuer, (ii) a default by the Issuer in the payment of any amount of the principal of, or premium (if any) on, this Security on its due date for payment or (iii) a default by the Issuer in the payment of any amount of interest on this Security within 30 days of its due date for payment, except where, in the case of the events or circumstances set out in clauses (ii) and (iii) above, the failure is the result of the Issuer not being Solvent at the at the time such payment becomes due or if the Issuer would not be Solvent as a result of that payment.

(b) If the Event of Default set out in clause (a)(i) above occurs with respect to this Security, the Principal Amount of, the premium (if any) on and all accrued but unpaid interest on this Security shall automatically, and without any declaration or action on the part of the holder of this Security, become immediately due and payable and the holder may prove or claim in the Winding Up of the Issuer, in each case subject to the provisions of Section 7.

(c) If either of the Events of Default set out in subsections (a)(ii) or (a)(iii) above occurs and is continuing with respect to this Security, the holder of this Security may not declare the Principal Amount of this Security due and payable prior to its stated maturity, provided that in the event of the Winding Up of the Issuer the provisions of subsection (b) above shall prevail.

(d) If either of the Events of Default set out in subsections (a)(ii) or (a)(iii) above occurs and is continuing with respect to this Security, the holder of this Security may (i) institute judicial proceedings for the recovery of amounts owing under or in respect of this Security provided that the Issuer will not, by virtue of the institution

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of any such proceeding, be compelled to pay such amount unless the Issuer is Solvent and may make such payment and be Solvent immediately thereafter or (ii) institute proceedings in the State of Victoria, Australia (but not in any other jurisdiction) for the Winding Up of the Issuer.

(e) The holder of this Security shall have no remedy against the Issuer in the event of the occurrence of an Event of Default other than those specified in subsections (b), (c) and (d) above, whether for the recovery of amounts owing in respect of this Security or in respect of any breach by the Issuer of any of its other obligations under or in respect of this Security. In particular, the holder of this Security shall not be entitled to exercise any right of set-off or counterclaim which may be available against amounts owing by the Issuer in respect of this Security (whether prior to, or following, any bankruptcy, liquidation, Winding-Up or sequestration of the Issuer) or to seek the appointment of a receiver, administrator or provisional liquidator to the Issuer.

9A.1 Where:

(a) either of the following occurs:

(i) a takeover bid (as defined in the Corporations Act 2001 of the Commonwealth of Australia) is made to acquire all or some of the Ordinary Shares and such offer is, or becomes, unconditional and either:

(A) the bidder has at any time during the offer period, a relevant interest in more than 50% of the Ordinary Shares on issue; or

(B) the directors of the Issuer, acting as a board, issue a statement that at least a majority of its directors who are eligible to do so have recommended acceptance of such offer (in the absence of a higher offer); or

(ii) a court orders the holding of meetings to approve a scheme of arrangement under Part 5.1 of the Corporations Act 2001 of the Commonwealth of Australia, which scheme would result in a person having a relevant interest in more than 50% of the Ordinary Shares that will be on issue after the scheme is implemented and:

(A) all classes of members of the Issuer pass all resolutions required to approve the scheme by the majorities required under the Corporations Act 2001 of the Commonwealth of Australia, to approve the scheme; and

(B) an independent expert issues a report that the proposals in connection with the scheme are in the best interests of the holders of Ordinary Shares; and

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- (b) the bidder or the person having a relevant interest in the Ordinary Shares in the Issuer after the scheme is implemented (or any entity that Controls the bidder or the person having the relevant interest) is an Approved NOHC,

then the Issuer without further authority, assent or approval of the holders of the Securities may (but with the prior written approval of APRA):

- (c) amend the terms hereof such that, unless APRA otherwise agrees, on the date the Principal Amount of Securities is to be Converted:
 - (i) each Security that is being Converted in whole will be automatically transferred by each holder of this Security free from encumbrance to the Approved NOHC on the date the Conversion is to occur;
 - (ii) each Security that is being Converted only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to:
 - (A) the registered holder of such Security without service charge, a new Security or Securities of like form and tenor and of the aggregate Principal Amount equal to and in exchange for the portion of the Principal Amount of the Security so surrendered that is not to be Converted; and
 - (B) the Approved NOHC without service charge, a new Security or Securities of like form and tenor and of the aggregate Principal Amount equal to and in exchange for the Principal Amount of the Security so surrendered that is to be Converted;

provided that any failure or delay by any party in complying with the provisions of Section 9A.1(c) shall not prevent, impede or delay the Conversion or Write-Off of Securities.

- (iii) each holder (or a nominee in accordance with Section 8A.2(b) or 8A.2(d) (as applicable), which provisions shall apply, mutatis mutandis, to such Approved NOHC Ordinary Shares) of the Security being Converted will be issued a number of Approved NOHC Ordinary Shares equal to the Conversion Number and the provisions of Schedule A shall apply (with any necessary changes) to the determination of the number of such Approved NOHC Ordinary Shares; and
- (iv) as between the Issuer and the Approved NOHC, each Security held by the Approved NOHC as a result of the transfer will be automatically

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Converted into a number of Ordinary Shares such that the total number of Ordinary Shares held by the Approved NOHC by reason of such Conversion increases by the number which equals the number of Approved NOHC Ordinary Shares issued by the Approved NOHC to holders on Conversion; and

- (d) makes such other amendments as in the Issuer's reasonable opinion are necessary and appropriate to effect the substitution of an Approved NOHC as the provider of the ordinary shares on Conversion in the manner contemplated by the terms hereof, including, where the terms upon which the Approved NOHC acquires the Issuer are such that the number of Approved NOHC Ordinary Shares on issue immediately after the substitution differs from the number of Ordinary Shares on issue immediately before that substitution (not involving any cash payment or other distribution to or by the holders of any such shares), an adjustment to any relevant VWAP or Issue Date VWAP consistent with the principles of adjustment set out in Schedule A.

9A.2 The Issuer shall give a notice to the Fiscal Agent and to the holders of Securities as soon as practicable after the substitution in accordance with Section 9A.1 specifying the amendments to the terms hereof which will be made in accordance with Section 9A.1 to effect the substitution of an Approved NOHC as the issuer of ordinary shares on Conversion.

9A.3 After a substitution under Section 9A.1, the Approved NOHC may without the authority, approval or assent of the holder of Securities, effect a further substitution in accordance with Section 9A.1 (with necessary changes).

9A.4 For the purposes of this Section 9A the following terms shall have the following meanings:

“Approved NOHC” means an entity which:

- (a) is a non-operating holding company within the meaning of the Banking Act 1959 of the Commonwealth of Australia (which term, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules); and
- (b) has agreed for the benefit of holders of Securities:
 - (i) to issue fully paid ordinary shares in its capital under all circumstances when the Issuer would otherwise have been required to Convert a Principal Amount of Securities, subject to the same terms and conditions as set out in the terms hereof (with all necessary modifications); and

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- (ii) to use all reasonable endeavours to procure quotation of Approved NOHC Ordinary Shares issued upon Conversion of relevant Securities on the ASX.

“**Approved NOHC Ordinary Shares**” means a fully paid ordinary share in the capital of the Approved NOHC.

“**NOHC**” means the ultimate holding company of the Issuer after a NOHC Event which must be a “non-operating holding company” within the meaning of the Banking Act 1959 of the Commonwealth of Australia.

10 Subject to Section 10.3, the Issuer shall not consolidate with or merge into any other person or convey, transfer or lease its properties and assets substantially as an entirety to any person, and the Issuer shall not permit any person to consolidate with or merge into the Issuer or convey, transfer or lease its properties and assets substantially as an entirety to the Issuer unless:

- (ii) in case the Issuer shall consolidate with or merge into another person or convey, transfer or lease its properties and assets substantially as an entirety to any person, the person formed by such consolidation or into which the Issuer is merged or the person which acquires by conveyance or transfer, or which leases, the properties and assets of the Issuer substantially as an entirety shall be a corporation, partnership or trust and shall expressly assume the due and punctual payment of the principal of and any premium and interest (including all Additional Amounts, if any, payable pursuant to Section 6 hereof) on all the Securities and the performance or observance of every covenant of this Security and the Fiscal Agency Agreement applicable to this Security on the part of the Issuer to be performed or observed; **provided, however**, if such person is not organized and validly existing under the laws of the Commonwealth of Australia or any State or Territory thereof, it must expressly agree (A) to indemnify the holder of this Security against any tax, assessment or governmental charge required to be withheld or deducted from any payment to such holder as a consequence of such merger, sale of assets or other transaction and (B) that all payments pursuant to this Security must be made without withholding or deduction for or on account of any tax of whatever nature imposed or levied on behalf of the jurisdiction of organization of such person, or any political subdivision or taxing authority thereof or therein, unless such tax is required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such person shall pay such additional amounts in order that the net amounts received by the holder of this Security after such withholding or deduction shall equal the amount which would have been received in respect of this Security in the absence of such withholding or deduction, subject to the same exceptions as would apply

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with respect to the payment by the Issuer of Additional Amounts in respect of this Security (substituting the jurisdiction of organization of such person for the Commonwealth of Australia), *provided, however*, that this indemnity shall not apply to 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 intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and shall not require the payment of additional amounts on account of any such withholding or deduction.

- (iii) immediately after the transaction, no Event of Default under this Security or any event that would be an Event of Default with respect to this Security if the requirements for giving the Issuer default notice and for the Issuer's default having to continue for a specific period of time were disregarded has occurred and is continuing; and
- (iv) the Issuer has delivered to the holder of this Security an Officer's Certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if applicable such amendment to the Fiscal Agency Agreement, comply with this Section 10 and that all conditions precedent herein provided for relating to such transaction have been complied with.

10.2 Upon any such consolidation or merger, or any conveyance, transfer or lease of the properties and assets of the Issuer substantially as an entirety in accordance with Section 10.1, the successor person formed by such consolidation or into which the Issuer is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Fiscal Agency Agreement and this Security with the same effect as if the successor person had been named as the Issuer therein and herein and thereafter, except in the case of a lease, the predecessor person shall be relieved of all obligations and covenants under the Securities and under the Fiscal Agency Agreement.

10.3 Nothing in section 10 shall prevent the Issuer from consolidating with or merging into any other person or conveying, transferring or leasing its properties and assets substantially as an entirety to any person, or from permitting any person to consolidate with or merge into the Issuer or to convey, transfer or lease its properties and assets substantially as an entirety to the Issuer where such consolidation, merger, transfer or lease is:

- (i) required by APRA (or any statutory manager or similar official appointed

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by it) under law and prudential regulation applicable in the Commonwealth of Australia (including without limitation the Banking Act 1959 or the Financial Sector Transfer (Business Transfer and Group Restructure) Act 1999, which terms, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules)); or

- (ii) determined by the board of directors of the Issuer or by APRA (or any statutory manager or similar official appointed by it) to be necessary in order for the Issuer to be managed in a sound and prudent manner or for the Issuer or APRA (or any statutory manager or similar official appointed by it) to resolve any financial difficulties affecting the Issuer, in each case in accordance with prudential regulation applicable in the Commonwealth of Australia.

- 11 Section 8 of the Fiscal Agency Agreement, which requires the Issuer to provide holders of Securities or, in the case of subsection (a) thereof, designated prospective purchasers of Securities with certain information is hereby incorporated *mutatis mutandis* by reference herein.
- 12 If any mutilated Security is surrendered to the Fiscal Agent, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver in exchange therefor, a new Security of like form, tenor and Principal Amount, bearing a number not contemporaneously outstanding.

If there is delivered to the Issuer and the Fiscal Agent (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of each of them harmless, then, in the absence of notice to the Issuer or the Fiscal Agent that such Security has been acquired by a bona fide purchaser, the Issuer shall execute, and upon its request the Fiscal Agent shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security a new Security of like form, tenor and Principal Amount and bearing a number not contemporaneously outstanding.

Upon the issuance of any new Security under this Section 12, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other reasonable expenses (including the fees and the expenses of the Fiscal Agent) connected therewith.

If any Security which has matured or has been redeemed or repaid or is about to mature or to be redeemed or repaid shall become mutilated, destroyed, lost or stolen, the Issuer may, instead of issuing a substitute Security, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Security) upon compliance by the holder with the provisions of this paragraph.

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Every new Security issued pursuant to this Section 12 in lieu of any mutilated, destroyed, lost or stolen Security, shall constitute an original additional contractual obligation of the Issuer, whether or not the mutilated, destroyed, lost or stolen Security shall be at any time enforceable by anyone.

Any new Security delivered pursuant to this Section 12 shall be so dated that neither gain nor loss in interest shall result from such exchange.

The provisions of this Section 12 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

13 Section 12 of the Fiscal Agency Agreement, which Section is hereby incorporated mutatis mutandis by reference herein, provides that, with certain exceptions as therein provided and with the consent of the holders of 50% of the Principal Amount of the Outstanding Securities of this series present at a meeting duly called pursuant thereto or by written consent of such percentage of the Principal Amount of all Outstanding Securities, the Issuer and the Fiscal Agent may modify, amend or supplement the terms of the Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement, in any way, or may give consents or waivers or take other actions with respect thereto, and the holders of Securities of this series may make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Fiscal Agency Agreement or the terms of the Securities of this series to be made, given or taken by holders of Securities of this series provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4). Any such modification, amendment, supplement, consent, waiver or other action shall be conclusive and binding on the holder of this Security and on all future holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange heretofore or in lieu hereof, whether or not notation thereof is made upon this Security. The Fiscal Agency Agreement and the terms of the Securities may be modified or amended by the Issuer and the Fiscal Agent, without the consent of any holders of Securities, for the purpose of (i) adding to the covenants of the Issuer for the benefit of the holders of Securities, (ii) surrendering any right or power conferred upon the Issuer, (iii) securing the Securities pursuant to the requirements of the Securities or otherwise, (iv) evidencing the succession of another corporation to the Issuer and the assumption by any such successor of the covenants and obligations of the Issuer in the Securities or in the Fiscal Agency Agreement pursuant to Section 9 hereof, (v) curing any ambiguity or correcting or supplementing any defective provision contained in the Securities or in the Fiscal

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Agency Agreement, (vi) is made in accordance with the Issuer's adjustment rights in Schedule A or (vii) any other purpose which the Issuer and the Fiscal Agent may determine that is not inconsistent with the terms of the Securities and does not adversely affect the interest of any holder of Securities, to all of which each holder of any Security, by acceptance thereof, consents provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4).

- 14 Each holder of this Security or an interest therein, by acceptance of this Security or such interest in this Security, agrees to provide the Fiscal Agent with the Noteholder Tax Identification Information and Noteholder FATCA Information (as defined below). If the Fiscal Agent determines that the holder of this Security or beneficial interest therein has failed to provide such information, the Issuer shall at its sole option, pursuant to this Section 14, amend the terms of this Security or of the Fiscal Agency Agreement to enable the Issuer to achieve FATCA Compliance (as defined below) provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4). In addition, the holder of this Security, by acceptance of this Security, understands and acknowledges that the Fiscal Agent has the right, under this Section 14 and the Fiscal Agency Agreement, to withhold interest payable with respect to this Security (without any corresponding gross-up) on any beneficial owner of an interest in this Security who fails to comply with the foregoing requirements.

“Noteholder FATCA Information” means information sufficient to eliminate the imposition of U.S. withholding tax under FATCA.

“Noteholder Tax Identification Information” means properly completed and signed tax certifications (generally, in the case of U.S. Federal Income Tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a “United States Person” within the meaning of Section 7701(a)(30) of the Code or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a “United States Person” within the meaning of Section 7701(a)(30) of the Code).

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“FATCA Compliance” means the requirement that foreign financial institutions, including any foreign subsidiaries of U.S.-based organizations, take all appropriate steps to comply with FATCA, including but not limited to:

- (a) entering into an Foreign Financial Institution Agreement with the United States Internal Revenue Service (“**IRS**”) which states an intent to comply with FATCA;
- (b) implementing adequate due diligence procedures on new and existing accounts to classify account holders or investors as U.S. or non-U.S.;
- (c) withholding 30% in U.S. taxes when individuals fail to provide appropriate documentation or when undertaking business with non-FATCA compliant entities; and
- (d) reporting account information directly to the IRS or indirectly through the relevant national government in the applicable country.

15 No reference herein to the Fiscal Agency Agreement and no provision of this Security or of the Fiscal Agency Agreement shall alter or impair the obligation of the Issuer, which, except in so far as the Security is subordinated and liable to be converted or written-off as provided herein, is absolute and unconditional, to pay the principal of (and premium, if any) and interest (including any Additional Amounts payable pursuant to Section 6) on this Security at the times, places and rates, and in the coin or currency, herein prescribed.

16 **This Security shall be governed by, and construed in accordance with, the laws of the State of New York without regard to those principles of conflicts of laws that would require the application of the laws of a jurisdiction other than the State of New York, except that the provisions of Section 7, Sections 8A.1 to 8A.4 (inclusive), Sections 9A.1 to 9A.4 (inclusive), Schedule A and all matters relating to the authorization and execution by the Issuer shall be governed by the laws of the State of Victoria and the Commonwealth of Australia.**

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SCHEDULE OF CONVERSION MECHANICS

1 CONVERSION

If the Issuer must Convert the Principal Amount of a Security in accordance with the terms hereof, then, subject to this Schedule A and Section 9A.1, the following provisions apply:

- (a) the Issuer will allot and issue on the Trigger Event Date a number of Ordinary Shares in respect of the Principal Amount of that Security equal to the Conversion Number, where the Conversion Number (but subject to the Conversion Number being no more than the Maximum Conversion Number) is a number calculated according to the following formula:

$$\text{Conversion Number} = \frac{\text{Principal Amount}}{(99\% \times \text{VWAP})}$$

where:

“**VWAP**” (expressed in dollars and cents) means the VWAP during the VWAP Period and where the “**Maximum Conversion Number**” means a number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{\text{Principal Amount}}{\text{Issue Date VWAP} \times 0.2}$$

- (b) the rights of each holder of a Security (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date) in relation to each Security that is being Converted will be immediately and irrevocably terminated for an amount equal to the Principal Amount of that Security and the Issuer will apply that Principal Amount by way of payment for subscription for the Ordinary Shares to be allotted and issued under Section 1(a) of this Schedule A. Each holder of the Security is taken to have irrevocably directed that any amount payable under Section 1 of this Schedule A is to be applied as provided for in Section 1 of this Schedule A and no holder of the Security has any right to payment in any other way;
- (c) any calculation under Section 1(a) of this Schedule A shall be, unless the context requires otherwise, be rounded to four decimal places provided that if the total number of additional Ordinary Shares to be allotted to a holder of the Security in respect of the aggregate Principal Amount of the

(Reverse of Security continued on next page)

Securities it holds which is being Converted includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded; and

- (d) the rights attaching to Ordinary Shares issued as a result of Conversion do not take effect until 5.00pm (Melbourne, Australia time) on the Trigger Event Date. At that time all other rights conferred or restrictions imposed on that Security under the terms hereof will no longer have effect (except for the right to receive the Ordinary Shares as set forth in this Section 1 and Section 8A.2 and except for rights relating to interest which is payable but has not been paid on or before the Trigger Event Date which will continue).

2 ADJUSTMENTS TO VWAP

For the purposes of calculating VWAP in the terms hereof:

- (a) where, on some or all of the Business Days in the relevant VWAP Period, Ordinary Shares have been quoted on the ASX as cum dividend or cum any other distribution or entitlement and the Securities will Convert into Ordinary Shares after the date those Ordinary Shares no longer carry that dividend or any other distribution or entitlement, then the VWAP on the Business Days on which those Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement shall be reduced by an amount (“*Cum Value*”) equal to:
 - (i) (in case of a dividend or other distribution), the amount of that dividend or other distribution including, if the dividend or other distribution is franked, the amount that would be included in the assessable income of a recipient of the dividend or other distribution who is both a resident of Australia and a natural person under the Tax Act;
 - (ii) (in the case of any other entitlement that is not a dividend or other distribution under Section 2(a)(i) of this Schedule A which is traded on the ASX on any of those Business Days), the volume weighted average sale price of all such entitlements sold on the ASX during the VWAP Period on the Business Days on which those entitlements were traded; or
 - (iii) (in the case of any other entitlement which is not traded on the ASX during the VWAP Period), the value of the entitlement as reasonably determined by the directors of the Issuer; and
- (b) where, on some or all of the Business Days in the VWAP Period, Ordinary Shares have been quoted on the ASX as ex dividend or ex any
(Reverse of Security continued on next page)

other distribution or entitlement, and the Securities will Convert into Ordinary Shares which would be entitled to receive the relevant dividend or other distribution or entitlement, the VWAP on the Business Days on which those Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement shall be increased by the Cum Value.

3 ADJUSTMENTS TO VWAP FOR DIVISIONS AND SIMILAR TRANSACTIONS

- (a) Where during the relevant VWAP Period there is a change in the number of the Ordinary Shares on issue as a result of a division, consolidation or reclassification of the Issuer's share capital (not involving any cash payment or other distribution to or by holders of Ordinary Shares) (a "**Reorganisation**"), in calculating the VWAP for that VWAP Period the daily VWAP applicable on each day in the relevant VWAP Period which falls before the date on which trading in Ordinary Shares is conducted on a post Reorganisation basis shall be adjusted by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with Section 3(a) of this Schedule A will, absent manifest error, be effective and binding on holders of the Securities under these terms and these terms will be construed accordingly. Any such adjustment must be promptly notified to all holders of the Securities.

4 ADJUSTMENTS TO ISSUE DATE VWAP

For the purposes of determining the Issue Date VWAP, corresponding adjustments to VWAP will be made in accordance with Section 2 and Section 3 of this Schedule A during the 20 Business Day period over which VWAP is calculated for the purposes of determining the Issue Date VWAP. On and from the Issue Date adjustments to the Issue Date VWAP:

- (a) may be made in accordance with Sections 5 to 7 of this Schedule A (inclusive); and

(Reverse of Security continued on next page)

- (b) if so made, will cause an adjustment to the Maximum Conversion Number.

5 ADJUSTMENTS TO ISSUE DATE VWAP FOR BONUS ISSUES

- (a) Subject to Section 5(b) of this Schedule A below, if at any time after the Issue Date the Issuer makes a pro rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$V = V_o \times \frac{RD}{RD + RN}$$

where:

V means the Issue Date VWAP applying immediately after the application of this formula;

V_o means the Issue Date VWAP applying immediately prior to the application of this formula;

RN means the number of Ordinary Shares issued pursuant to the bonus issue; and

RD means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue.

- (b) Section 5(a) of this Schedule A does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.
- (c) For the purpose of Section 5(a) of this Schedule A, an issue will be regarded as a pro rata issue notwithstanding that the Issuer does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia, provided that in so doing the Issuer is not in contravention of the ASX Listing Rules.
- (d) No adjustments to the Issue Date VWAP will be made under this Section 5 of this Schedule A for any offer of Ordinary Shares not covered by Section 5(a) of this Schedule A, including a rights issue or other essentially pro rata issue.
- (e) The fact that no adjustment is made for an issue of Ordinary Shares except as covered by Section 5(a) of this Schedule A shall not in any way restrict the Issuer from issuing Ordinary Shares at any time on such terms

(Reverse of Security continued on next page)

as it sees fit nor require any consent or concurrence of any holders of the Security.

6 ADJUSTMENT TO ISSUE DATE VWAP FOR DIVISIONS AND SIMILAR TRANSACTIONS

- (a) If at any time after the Issue Date, a Reorganisation occurs, the Issuer shall adjust the Issue Date VWAP by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reorganisation by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with Section 6(a) of this Schedule A will, absent manifest error, be effective and binding on holders of Securities under these terms and these terms will be construed accordingly.
- (c) Each holder of a Security acknowledges that the Issuer may, consolidate, divide or reclassify securities so that there is a lesser or greater number of Ordinary Shares at any time in its absolute discretion without any such action requiring any consent or concurrence of any holders of Securities.

7 NO ADJUSTMENT TO ISSUE DATE VWAP IN CERTAIN CIRCUMSTANCES

Despite the provisions of Section 5 and Section 6 of this Schedule A, no adjustment shall be made to the Issue Date VWAP where such adjustment (rounded if applicable) would be less than one percent of the Issue Date VWAP then in effect.

8 ANNOUNCEMENT OF ADJUSTMENT TO ISSUE DATE VWAP

The Issuer will notify the holder of Securities (an “*Adjustment Notice*”) of any adjustment to the Issue Date VWAP under this Schedule A within 10 Business Days of the Issuer determining the adjustment and the adjustment set out in the announcement will be final and binding.

(Reverse of Security continued on next page)

9 ORDINARY SHARES

Each Ordinary Share issued or arising upon Conversion ranks pari passu with all other fully paid Ordinary Shares. The Holders of Subordinated Notes agree not to trade Ordinary Shares issued on Conversion (except as permitted by the Corporations Act, other applicable laws and the ASX Listing Rules) until ANZ has taken such steps as are required by the Corporations Act, other applicable laws and the ASX Listing Rules for the Ordinary Shares to be freely tradeable without such further disclosure or other action and agree to allow ANZ to impose a holding lock or to refuse to register a transfer in respect of Ordinary Shares until such time.

10 LISTING ORDINARY SHARES ISSUED ON CONVERSION

The Issuer shall use all reasonable endeavours to list the Ordinary Shares issued upon Conversion of the Securities on the ASX.

11 DEFINITIONS

For the purposes of this Schedule A the following terms shall have the following meanings:

“ASX Operating Rules” means the market operating rules of the ASX as amended, varied or waived (whether in respect of the Issuer or generally) from time to time.

“ASX” means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires, or any successor.

“Issue Date VWAP” means the VWAP during the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the first date on which any Securities were issued, as adjusted in accordance with Sections 5 to 7 (inclusive) of this Schedule A.

“Tax Act” means:

- (i) the Income Tax Assessment Act 1936 of the Commonwealth Australia or the Income Tax Assessment Act 1997 of Australia as the case may be and a reference to any Section of the Income Tax Assessment Act 1936 of the Commonwealth of Australia includes a reference to that Section as rewritten in the Income Tax Assessment Act 1997 of the Commonwealth of Australia; and
- (ii) any other Act setting the rate of income tax payable and any regulation promulgated under it.

(Reverse of Security continued on next page)

“**VWAP**” means, subject to any adjustments under this Schedule A, the average of the daily volume weighted average sale prices (such average being rounded to the nearest full cent) of Ordinary Shares sold on the ASX during the VWAP Period or on the relevant days (and, where the Specified Currency of the Principal Amount in respect of the relevant Security is not Australian dollars, with each such daily price converted into the Specified Currency on the basis of the spot rate for the sale of the Australian dollar against the purchase of such Specified Currency in the New York foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation) but does not include any “Crossing” transacted outside the “Open Session State” or any “Special Crossing” transacted at any time, each as defined in the ASX Operating Rules, or any overseas trades or trades pursuant to the exercise of options over Ordinary Shares;

“**VWAP Period**” means the period of 5 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Trigger Event Date.

(Reverse of Security continued on next page)

PRICING SUPPLEMENT

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED**
(As Issuer)

US\$800,000,000

FIXED RATE SUBORDINATED NOTES DUE 2024
(SUBJECT TO CONVERSION)

March 12, 2014

This Pricing Supplement relates to the US\$800,000,000 Fixed Rate Subordinated Notes Due 2024, Subject to Conversion (the “Subordinated Notes”) of Australia and New Zealand Banking Group Limited (“ANZ”), which are described below and also generally in the US\$25,000,000,000 Medium-Term Note Offering Memorandum dated November 15, 2013, as amended and supplemented by this Pricing Supplement (the “Offering Memorandum”). This Pricing Supplement amends the Offering Memorandum in the manner specified in **Annex A**. This Pricing Supplement contains the final terms of the offering of the Subordinated Notes. This Pricing Supplement must be read in conjunction with the Offering Memorandum.

This Pricing Supplement relating to the offering of the Subordinated Notes is subject to, and is qualified in its entirety by reference to, all of the provisions included in the Amended and Restated Fiscal Agency Agreement dated as of March 11, 2014 and the Form of Fixed Rate Subordinated Note, copies of which have been made available to you by ANZ. You should read each of the foregoing documents in conjunction with this Pricing Supplement for a complete understanding of the terms of the Subordinated Notes.

All capitalized terms used in this Pricing Supplement and not otherwise defined herein shall have the meanings assigned to them in the Offering Memorandum.

The Subordinated Notes are novel and complex financial instruments and may not be a suitable investment for all investors

Investing in the Subordinated Notes will involve certain risks, and you must determine the suitability of such investment in light of its own circumstances. You should carefully review the

section entitled “Risk Factors Relating to the Notes” in the Offering Memorandum, and, in particular, should review pages 11 – 16 of the Offering Memorandum, which discuss specific risks relating to the Subordinated Notes. In addition, you should review the risk factor supplementing the Offering Memorandum entitled “If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes” set out in Annex A of this Pricing Supplement.

The Subordinated Notes are subject to mandatory conversion in the event of the non-viability of ANZ

The Subordinated Notes are subject to mandatory Conversion into Ordinary Shares of ANZ if a Non-Viability Trigger Event occurs. A Non-Viability Trigger Event occurs when APRA has provided a written determination to ANZ that the Conversion or Write-Off of certain securities of ANZ is necessary because without either such Conversion or Write-Off or a public sector injection of capital, ANZ would become non-viable.

If a Non-Viability Trigger Event occurs, on the date APRA notifies ANZ of such event (whether or not a Business Day) (such date, the “Trigger Event Date”), ANZ will be required to Convert some or all of the nominal amount of the Subordinated Notes into Ordinary Shares, or if ANZ is prevented by applicable law, court order or any other reason from Converting the Subordinated Notes within five business days after the Trigger Event Date, ANZ will be required to write off some or all of the nominal amount of the Subordinated Notes and immediately and irrevocably terminate the rights of the holders of such Subordinated Notes.

No right to principal or interest following Trigger Event Date

On the Trigger Event Date, in respect of the principal amount of any Subordinated Note which is to be Converted, the sole right of the holder of such Subordinated Note in respect of that principal amount will be its right to be issued Ordinary Shares upon Conversion, *provided, however*, that where on the Trigger Event Date an Inability Event exists, and Conversion of the principal amount of the Subordinated Notes that are subject to Conversion has not been effected within five Business Days after the relevant Trigger Event Date, (A) to the extent such event prevents the Issuer from Converting the principal amount of Securities which would otherwise be Converted, the principal amount of those Subordinated Notes will not be Converted and instead will be Written-Off on the expiry of the fifth Business Day after the Trigger Event Date and (B) the Issuer shall notify the Fiscal Agent and the holders of the Notes that an Inability Event has impeded Conversion as promptly as practically possible. “Expiry of the fifth Business Day” means 11:59 p.m., Sydney time on the fifth Business Day.

Deemed acknowledgement, agreement and consent

By its acquisition of the Subordinated Notes, each holder of Subordinated Notes shall be deemed to have (i) consented to the Conversion or Write-off of its Subordinated Notes in accordance with the terms of the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” and acknowledged that such Conversion or Write-off of its Subordinated Notes (including any beneficial interest therein) following a Non-Viability Trigger Event may occur without any action on such holder’s part and (ii) authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Subordinated Notes to take any and all necessary action, if required, to effectuate the

Conversion or Write-off of the Subordinated Notes without any further action or direction on the part of such holder.

Additional Operational Procedures Relating to the Subordinated Notes

The below operational procedures supplement the terms and conditions of the Subordinated Notes as described in the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

Promptly following the receipt of the Trigger Event Notice by DTC (the “Trigger Event Notice Receipt Date”), DTC will suspend all clearance and settlement of the Subordinated Notes that are specified by the Trigger Event Notice to be Subordinated Notes that have been Converted or Written Off (“Relevant Subordinated Notes”), with such suspension commencing no later than the close of the next day following the Trigger Event Notice Receipt Date that is a business day in New York City (the date of such suspension, the “Suspension Date”). Promptly following its receipt of the Trigger Event Notice, DTC will, pursuant to its procedures currently in effect, post the Trigger Event Notice to its Reorganization Inquiry for Participants System.

The Trigger Event Notice shall request that holders of Relevant Subordinated Notes provide to ANZ a notice (a “Conversion Shares Settlement Notice”), containing the information specified in subsection (b) of the Section “Description of the Notes— Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ—Conversion Option” in the Offering Memorandum. The Conversion Shares Settlement Notice must be given in accordance with the standard procedures of DTC (which may include the notice being given to ANZ by electronic means) and in a form acceptable to DTC and ANZ. In order to obtain delivery of Ordinary Shares in respect of Relevant Subordinated Notes, a holder of Relevant Subordinated Notes must deliver its Conversion Shares Settlement Notice on or before the date that is 30 days after the Trigger Event Date (the “Notice Cut-off Date”).

Transfers of Subordinated Notes that are initiated prior to the Suspension Date and are scheduled to settled within DTC afterwards may be rejected by DTC and may not settle within DTC

Holders of Relevant Subordinated Notes will not be able to settle the transfer of any Relevant Subordinated Notes from the Suspension Date, and any sale or transfer of the Relevant Subordinated Notes that a holder of Relevant Subordinated Notes may have initiated prior to the Suspension Date that is scheduled to settle after the Suspension Date will be rejected by DTC and will not be settled within DTC.

Final Terms of the Subordinated Notes

Deal Reference MTN:	61
Issuer:	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
Principal Amount and Specified Currency:	US\$800,000,000
Option to receive payment in Specified Currency:	Not Applicable

Type of Note:	Rule 144A Global Note and Regulation S Global Note
Status of Note:	Subordinated Note
Term:	10 years
Issue Date:	March 19, 2014
Trade Date:	March 12, 2014
Stated Maturity:	March 19, 2024
Redemption:	At option of the Issuer at any time on or after a Regulatory Event Any early redemption will be subject to the prior written approval of APRA.
Repayment:	No repayment at the option of the holders prior to Stated Maturity Any early repayment will be subject to the prior written approval of APRA.
Conversion Option:	Conversion with a Fall back to Write-off (Option 1: Section 8A.2 of the Subordinated Notes applies)
Fixed Rate Notes:	Applicable
Interest Rate:	4.500% per annum
Interest Rate Frequency:	Semi-annually
Regular Record Date(s):	15 calendar days preceding applicable Interest Payment Date whether or not a "business" day
Interest Payment Dates:	On March 19 and September 19 of each year, commencing on September 19, 2014 and ending on the Stated Maturity Date
Floating Rate Notes:	Not Applicable
LIBOR Notes:	Not Applicable
CMT Rate Notes:	Not Applicable
Floating Rate/Fixed Rate Security:	Not Applicable
Fixed Rate/Floating Rate Security:	Not Applicable
Inverse Floating Rate Security:	Not Applicable

Zero Coupon Notes:	Not Applicable
Indexed Notes/other variable-linked interest note provisions:	Not Applicable
Amortizing Notes:	Not Applicable
Redemption:	At option of the Issuer at any time on or after a Regulatory Event Any early redemption will be subject to the prior written approval of APRA. Any redemption of the Subordinated Notes will be pursuant to the terms of the Subordinated Notes pertaining to redemption, as described in the sections of the Offering Memorandum entitled “Description of the Notes—Redemption or Repurchase of Subordinated Notes” and “Description of the Notes—Redemption of Subordinated Notes for Regulatory Event”.
Redemption Commencement Date:	Not Applicable
Redemption Price(s):	Par
Redemption Period(s):	Not Applicable
General Provisions:	
Business Day Convention:	Following Business Day Convention
Business Days:	London, New York, Sydney
Alternative Day Count Fraction:	30/360, unadjusted
Issue Price (Price to public):	99.864%
Proceeds to Issuer (US\$)	US798,912,000 (before certain costs, fees and expenses)
Offering Agents:	ANZ Securities, Inc. Citigroup Global Markets Inc. Goldman, Sachs & Co. UBS Securities LLC
Agents acting in capacity of:	Principal
Paying Agent:	The Bank of New York Mellon
Calculation Agent:	The Bank of New York Mellon, London branch
Exchange Rate Agent:	Not Applicable

Additional Paying Agent:	Not Applicable
Redenomination, renominatisation and reconventioning provisions:	Not Applicable
Listing:	Not Applicable
Admission to trading:	Not Applicable
Denominations:	Minimum denomination of US\$200,000, and any integral multiple of US\$1,000 thereafter
Covenant Defeasance:	Not Applicable
CUSIP:	052528AH9 - Rule 144A Q0426RNB0 - Reg. S
ISIN:	US052528AH96 - Rule 144A USQ0426RNB07 - Reg. S
Additional Selling Restrictions:	See Offering Memorandum and Canadian wrapper
Stabilizing Manager:	Not Applicable
Exchange Rate:	Not Applicable
Depository (if other than DTC):	Not Applicable
Subordinated Notes Ratings*:	S & P: BBB+ Moody's: A3 Fitch: A+
Other terms:	See Annex A

Signed on behalf of the Issuer

By: _____

* A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the ratings agency at any time.

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 and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and any who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

Annex A

Amendments to Offering Memorandum

The disclosure in the Offering Memorandum is amended as set out below:

- 1 The following paragraph is added into the section “Description of the Notes - How the Notes rank against other debt” after the third paragraph beneath that heading:

Further, the Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 2 The following paragraph is added into the section “Description of the Notes - Status and Subordination of Subordinated Notes” after the first paragraph beneath that heading:

The Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 3 In the section “Description of the Notes - Redemption or repurchase of Subordinated Notes”, the definition of “Regulatory Capital” is replaced with the following:

“Regulatory Capital” means a Tier 1 Capital Security (which means a share, note or other security or instrument constituting Tier 1 Capital) or a Tier 2 Capital Security (which means a note or other security or instrument constituting Tier 2 Capital).

- 4 In the section “Description of the Notes - Redemption of Subordinated Notes for Regulatory Event”, the definition of “Tier 2 Capital” is deleted.

5 In the section “Description of the Notes – Certain Defined Terms”, after the definition of Tier 1 Capital:

(a) the definition of “Trigger Event Date” is replaced with the following:

“Trigger Event Date” shall mean the date (whether or not a Business Day) on which APRA notifies ANZ of a Non-Viability Trigger Event as contemplated under “Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” above.

(b) the following definition of “Tier 2 Capital” is inserted:

“Tier 2 Capital” shall mean Tier 2 capital of ANZ (on a Level 1 basis) or the ANZ Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

6 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Conversion Option”:

- in section (e), the phrase “6th Business Day” is replaced with “expiry of the fifth Business Day”;
- in section (g)(ii), “sixth Business Day” is replaced with “expiry of the fifth Business Day”, and “(including to any right to receive any payment thereunder)” is replaced with “(including to any right to receive any payment thereunder, including interest both future and as accrued but unpaid as at the Trigger Event Date)”.

7 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Write-Off Option”:

- in section (a)(i), the phrase “such Principal Amount of the Subordinated Notes shall be Written-Off as is sufficient” is replaced with “such Principal Amount of the Subordinated Notes shall be immediately Written-Off as is sufficient”; and
- in section (f), the phrase “(including to any right to receive any payment thereunder)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.

- 8 In the section “Description of the Notes - Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ – Conversion Mechanics”:
- in section (b), the phrase “(including to payment of interest)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.
- 9 In the section “Description of the Notes – Defeasance of Senior Notes”, the second paragraph is replaced with the following: “Full defeasance or covenant defeasance is not available to Holders of Subordinated Notes.”
- 10 The following is added to the end of the section entitled “Description of the Notes – Mergers and similar transactions”:

Notwithstanding the above, we are not prevented from consolidating with or merging into any other person or conveying, transferring or leasing our properties and assets substantially as an entirety to any person, or from permitting any person to consolidate with or merge into us or to convey, transfer or lease its properties and assets substantially as an entirety to us where such consolidation, merger, transfer or lease is:

- required by APRA (or any statutory manager or similar official appointed by it) under law and prudential regulation applicable in the Commonwealth of Australia (including without limitation the Banking Act 1959 or the Financial Sector Transfer (Business Transfer and Group Restructure) Act 1999, which terms, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules)); or
- determined by our directors or by APRA (or any statutory manager or similar official appointed by it) to be necessary in order for the Issuer to be managed in a sound and prudent manner or for the Issuer or APRA (or any statutory manager or similar official appointed by it) to resolve any financial difficulties affecting the Issuer, in each case in accordance with prudential regulation applicable in the Commonwealth of Australia.

- 11 The following is added to the end of the section entitled “Risk Factors Relating to the Notes”:

If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes

We are permitted to consolidate or merge with another company or other entity or to sell substantially all of our assets to another company or entity where required to do so by APRA (or a statutory manager or a similar official) under applicable law or prudential regulation in Australia or where determined by our directors or by APRA (or a statutory manager or a similar official) to be necessary in order for us to be managed in a sound or prudent manner or for us or APRA (or a statutory manager or a similar official) to resolve any financial difficulties affecting us. In either case, such entity need not assume the obligations under the Notes, and Holders of the Notes may have no recourse to such entity and no grounds to require repayment of the principal amount of the Notes on account of that consolidation or merger. In particular, such a transaction may be effected in certain circumstances by the Australian Prudential Regulation Authority under the Financial Sector (Business Transfer and Group Restructure) Act 1999, pursuant to which some or all of our assets or liabilities may be transferred to another authorized deposit taking institution. Such a merger, consolidation, or asset sale, whether or not effected by the Australian Prudential Regulation Authority, may adversely affect the value of the Notes and the likelihood of us making payment to holders of any amount due under their Notes.

Fixed Rate Subordinated Notes (Subject to Conversion)

[Face of Security]

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON, UNLESS THIS SECURITY IS REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE. THE FOREGOING SHALL NOT APPLY FOLLOWING THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (I) THE DATE ON WHICH THIS SECURITY WAS FIRST OFFERED AND (II) THE DATE OF ISSUANCE OF THIS SECURITY.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN EXCHANGE FOR THIS CERTIFICATE OR ANY PORTION HEREOF IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC, **ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON OTHER THAN DTC OR OTHERWISE IS WRONGFUL** INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE FISCAL AGENCY AGREEMENT REFERRED TO HEREINAFTER. THIS GLOBAL SECURITY MAY NOT BE EXCHANGED, IN WHOLE OR IN PART, FOR A SECURITY REGISTERED IN THE NAME OF ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES SET FORTH IN SECTION 5(b) OF THE FISCAL AGENCY AGREEMENT, AND MAY NOT BE TRANSFERRED, IN WHOLE OR IN PART, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 6(b) OF THE FISCAL AGENCY AGREEMENT. BENEFICIAL INTERESTS IN THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH SECTION 6(b) OF THE FISCAL AGENCY AGREEMENT.

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No. R-3- 2014
CUSIP: Q0426RNB0
ISIN: USQ0426RNB07

INITIAL PRINCIPAL AMOUNT:

US\$187,500,000

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED
(ABN 11 005 357 522)

FIXED RATE SUBORDINATED NOTE
(Subject to Conversion)

SPECIFIED CURRENCY —
PRINCIPAL: US Dollars

REDEMPTION
PERIOD: N/A

SPECIFIED CURRENCY —
INTEREST: US Dollars

REDEMPTION COMMENCEMENT
DATE: Not Applicable

OPTION TO RECEIVE PAYMENT IN
SPECIFIED CURRENCY: N/A

REDEMPTION PRICES: Par

ISSUE DATE: March 19, 2014

DENOMINATIONS: Minimum
denomination of US\$200,000 and any
integral multiple of US\$1,000 thereafter

INTEREST RATE: 4.500%

ALTERNATIVE DAY COUNT
CONVENTION: 30/360, unadjusted

INTEREST PAYMENT DATES: March 19 and
September 19 of each year, commencing on
September 19, 2014, and ending on the Stated
Maturity Date

EXCHANGE RATE: Not Applicable

EXCHANGE RATE
AGENT: Not Applicable

STATED
MATURITY: March 19, 2024

NON-VIABILITY OPTION: Option 1 (section
8A.2) applies

COVENANT DEFEASANCE PROVISIONS DO NOT APPLY

(Face of Security continued on next page)

OTHER TERMS: See Addendum Attached

Terms left blank or marked “*N/A*”, “*No*”, “*None*” or in a similar manner do not apply to this Security except as otherwise may be specified.

Whenever used in this Security, the terms specified above that apply to this Security have the meanings specified above, unless the context requires otherwise. Other terms used in this Security that are not defined herein but that are defined in the Fiscal Agency Agreement referred to in Section 1 on the reverse of this Security are used herein as defined therein.

(Face of Security continued on next page)

Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), a corporation incorporated under the laws of the Commonwealth of Australia (herein called the “*Issuer*”, which term includes any successor person hereinafter referred to), for value received, subject to the terms hereof, hereby promises to pay to Cede & Co., or registered assigns, the Initial Principal Amount specified above (such Initial Principal Amount, as it may from time to time be adjusted by endorsement on Schedule B hereto or, reduced due to Conversion or Write-Off in accordance with Condition 8A.2 or 8A.3, is hereinafter referred to as the “*Principal Amount*”) in the Specified Currency specified above on the Stated Maturity specified above, or such earlier date as the principal of this Security or one or more predecessor Securities may become due in accordance with the terms hereof (each such date being hereinafter referred to as “maturity” with respect to the principal repayable on such date), and to pay interest on such Principal Amount, from the Issue Date specified above or from the most recent Interest Payment Date to which interest on this Security (or any predecessor Security) has been paid or duly provided for in arrears on such Interest Payment Dates specified on the face hereof (each an “*Interest Payment Date*”) and at maturity, at a rate per annum equal to the Interest Rate specified on the face hereof (the “*Interest Rate*”), until the principal hereof is paid or duly made available for payment or reduced to zero due to such Conversion or Write-Off, and at the rate then accruing on this Security on any overdue premium or installment of interest.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on the fifteenth day (whether or not a Business Day as hereinafter defined) next preceding such Interest Payment Date (a “*Regular Record Date*”); *provided, however*, that interest payable at maturity but on a day that is not an Interest Payment Date will be payable to the person to whom principal (and premium, if any) shall be payable; and, *provided, further*, that if the Issue Date is after a Regular Record Date and before the next succeeding Interest Payment Date, the first payment of interest shall be payable on the Interest Payment Date following the next succeeding Regular Record Date to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on such next succeeding Regular Record Date.

Any such interest which is payable, but not punctually paid or duly provided for, on any Interest Payment Date will forthwith cease to be payable to the holder on such Regular Record Date and such defaulted interest may either be paid to the person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Issuer, notice whereof shall be given to the holder of this Security by the Issuer or by the Fiscal Agent on the instruction of and on behalf of the Issuer not less than 10 days prior to such special record date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which this Security may be listed, and upon such notice as may be required by such exchange.

(Face of Security continued on next page)

Unless the holder hereof is entitled to make, and has made a Specified Currency Payment Election (as hereinafter defined), payment of principal of (and premium, if any) and interest on this Security will be made in U.S. dollars in amounts converted from the Specified Currency determined as set forth below. The ***Specified Currency*** for any payment shall be the currency specified as such on the face of this Security unless, at the time of such payment, such currency is not legal tender for the payment of public and private debts in the country issuing such currency on the Issue Date, in which case the Specified Currency for such payment shall be such coin or currency as at the time of such payment is legal tender for the payment of public and private debts in such country, except as provided in the next sentence. If the euro is specified on the face of this Security as the Specified Currency for any payment, the Specified Currency for such payment shall be such coin or currency as at the time of payment is legal tender for the payment of public and private debts in all EMU Countries (as defined in Section 3 on the reverse hereof), provided that, if on any day there are not at least two EMU Countries, or if on any day there are at least two EMU Countries but no coin or currency is legal tender for the payment of public and private debts in all EMU Countries, then the Specified Currency for such payment shall be deemed not to be available to the Issuer on such day for the purposes of the seventh succeeding paragraph.

Principal of (and premium, if any, on) this Security shall be payable against surrender hereof at the corporate trust office of the Fiscal Agent hereinafter referred to or at such other offices or agencies as the Issuer may designate and notify the holders as provided in Section 4 on the reverse hereof and at the offices of such other Paying Agents as the Issuer shall have appointed pursuant to the Fiscal Agency Agreement (each a "***Place of Payment***"). Payments of interest on this Security shall be made, in accordance with the foregoing and subject to applicable laws and regulations, by check mailed on or before the due date for such payment to the person entitled thereto at such person's address appearing on the aforementioned register or, in the case of payments of principal (and premium, if any) to such other address as the registered holder may specify upon such surrender; ***provided, further***, that any payments shall be made, in the case of a registered holder of at least U.S.\$5,000,000 aggregate Principal Amount of Securities, by wire transfer to an account maintained by the payee with a bank located in The City of New York if such registered holder so elects by giving notice to the Fiscal Agent, not less than 5 Business Days (or such fewer days as the Fiscal Agent may accept at its discretion) prior to the date of the payments to be obtained of such election and of the account to which payments are to be made. Any such transfer instructions received by the Fiscal Agent shall be in effect until revoked by the holder.

No payment of principal, premium or interest in respect of this Security shall be made at any office or agency of the Issuer in the Commonwealth of Australia or by check mailed to any address in the Commonwealth of Australia or by transfer to an account maintained with a bank located in the Commonwealth of Australia.

If the holder of this Security shall not have duly made an election to receive all or a portion of any payment of principal, premium, if any and/or interest in

(Face of Security continued on next page)

respect of this Security as described in the next succeeding paragraph, where the Specified Currency is not U.S. dollars, any U.S. dollar amount to be received shall be calculated by the Exchange Rate Agent specified on the face hereof (the “*Exchange Rate Agent*”, which term includes any successor person hereinafter referred to) at approximately 11:00 A.M., The City of New York time, on the second Business Day preceding the applicable payment date by reference to quotations from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Issuer for the purchase by the quoting dealer of the Specified Currency for U.S. dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all holders of Securities scheduled to receive U.S. dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs shall be borne by the holder of this Security by deductions from such payments. If three such bid quotations are not available, payments on this Security shall be made in the Specified Currency.

Unless otherwise indicated herein, if the Specified Currency is other than U.S. dollars, the holder of this Security may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Security in the Specified Currency (a “*Specified Currency Payment Election*”) by submitting a written request for such payment to the Fiscal Agent at its corporate trust office in The City of New York on or prior to the applicable Regular Record Date or at least 15 calendar days prior to the payment of any principal or premium, as the case may be. Such written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. The holder of this Security may elect to receive all or a specified portion of all future payments in the Specified Currency in respect of such principal, premium, if any, and/or interest and need not file a separate election for each payment. Such election shall remain in effect until revoked by written notice to the Fiscal Agent, but written notice of any such revocation must be received by the Fiscal Agent on or prior to the Regular Record Date or at least 16 calendar days prior to the payment of any principal or premium, as the case may be.

If the Specified Currency is a currency other than U.S. dollars, and a Specified Currency Payment Election is duly made pursuant to the preceding paragraph, the Issuer will make payments by wire transfer of immediately available funds to any account that is maintained in the applicable Specified Currency at a bank designated by the holder and is acceptable to the Issuer and the Paying Agent. To designate an account for wire payment, the holder, as of the applicable Regular Record Date, must give the Paying Agent appropriate wire instructions at least 5 Business Days before the requested wire payment is due. In the case of any interest payment due on an Interest Payment Date, the instructions must be given by the person or entity who is the holder on the Regular Record Date. In the case of any other payment, the payment will be made only after this Security is surrendered to the Paying Agent. Any instructions, once properly given, will remain in effect unless and until new instructions are properly given in the manner described above.

(Face of Security continued on next page)

The Issuer covenants that until this Security has been delivered to the Fiscal Agent for cancellation, or monies sufficient to pay the principal of (and premium, if any, on) and interest on this Security have been made available for payment and either paid or returned to the Issuer as provided herein, it will at all times maintain a Paying Agent and Transfer Agent with offices or agencies in the Borough of Manhattan, The City of New York for the payment of the principal of (and premium, if any, on) and interest on the Securities as herein provided.

Notwithstanding the foregoing, if any amount payable on this Security is payable on any day (including at maturity) in a Specified Currency other than U.S. dollars, and if such Specified Currency is not available to the Issuer on the two Business Days before such day, due to the imposition of exchange controls, disruption in a currency market or any other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligation to pay such amount in such Specified Currency by making such payment in U.S. dollars. The amount of such payment in U.S. dollars shall be determined by the Exchange Rate Agent on the basis of the noon buying rate for cable transfers in The City of New York for such Specified Currency (the “**Exchange Rate**”) as of the latest day before the day on which such payment is to be made. Any payment made under such circumstances in U.S. dollars where the required payment is in other than U.S. dollars will not constitute an Event of Default under this Security.

The Issuer agrees to indemnify the holder of any Security against any loss incurred by such holder as a result of any judgment or order being given or made against the Issuer for any amount due hereunder and such judgment or order requiring payment in a currency (the “**Judgment Currency**”) other than the Specified Currency, and as a result of any variation between (i) the rate of exchange at which the Specified Currency amount is converted into the Judgment Currency for the purpose of such judgment or order and (ii) the rate of exchange at which such holder, on the date of payment of such judgment or order, is able to purchase the Specified Currency with the amount of the Judgment Currency actually received by such holder. The foregoing indemnity constitutes a separate and independent obligation of the Issuer and continues in full force and effect notwithstanding any such judgment or order as aforesaid. The term “rate of exchange” includes any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency.

Notwithstanding any provisions to the contrary contained herein, if the face of this Security specifies that an Addendum is attached hereto or that “**Other Terms**” apply, this Security shall be subject to the terms set forth in such Addendum or such “Other Terms”.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof or, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same effect as if set forth at this place.

(Face of Security continued on next page)

Unless the certificate of authentication hereon has been executed by the Fiscal Agent by manual signature, this Security shall not be valid or obligatory for any purpose.


(Face of Security continued on next page)

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

Dated: March 19, 2014

AUSTRALIA AND NEW ZEALAND BANKING
GROUP LIMITED

By

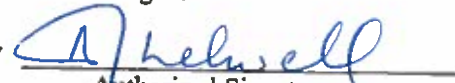

Name: *ADRIAN WENT*
Title: *ACTING GROUP TREASURER*

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein and referred to in the within-mentioned Fiscal Agency Agreement.

THE BANK OF NEW YORK MELLON -
as Fiscal Agent

By


Authorized Signatory

Dated: March 19, 2014

Arlene Thelwell
Vice President

(Face of Security continued on next page)

Australia and New Zealand Banking Group Limited

[Reverse of Fixed Rate Subordinated Notes (Subject to Conversion)]

- 1 This Security is one of a duly authorized issue of securities of the Issuer (herein called the “**Securities**”), issued and to be issued in one or more series in accordance with an Amended and Restated Fiscal Agency Agreement, dated as of March 11, 2014 (as amended, from time to time, herein called the “**Fiscal Agency Agreement**”), between the Issuer and The Bank of New York Mellon, as Fiscal Agent (herein called the “**Fiscal Agent**”, which term includes any successor fiscal agent under the Fiscal Agency Agreement), to which Fiscal Agency Agreement reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Issuer, the Fiscal Agent and the holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. Copies of the Fiscal Agency Agreement are on file and available for inspection at the corporate trust office of the Fiscal Agent in the Borough of Manhattan, The City of New York. This Security is one of the series (this “**series**”) designated on the face hereof, limited in aggregate Principal Amount to U.S.\$25,000,000,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) outstanding at any one time (which amount may be increased at the option of the Issuer if in the future it determines that it may wish to sell additional Securities of this series).

The Securities of this series are unsecured, direct, subordinated and general obligations of the Issuer and will rank in a Winding Up of the Issuer behind all claims of Other Creditors (as defined in Section 7), and, subject to Section 8A, *pari passu* with Equal Ranking Securities (as defined in Section 7) and ahead of Junior Ranking Securities (as defined in Section 7). The Securities of this series will not constitute deposit liabilities or protected accounts of the Issuer in the Commonwealth of Australia for the purposes of the Banking Act 1959 of the Commonwealth of Australia and are not insured by the Federal Deposit Insurance Corporation or any other government, governmental agency or compensation scheme of Australia, the United States or any other jurisdiction or by any party.

- 2 The Securities of this series are issuable in fully registered form and rank *pari passu* without any discrimination, preference or priority among them whatsoever. Unless otherwise specified on the face of the Security, the Securities of this series are issuable in the authorized minimum denomination of U.S.\$200,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) and integral multiples of U.S.\$1,000 (or the equivalent thereof in any other currency or currencies or currency units or composite currencies) above that amount.
- 3 The interest payable on any Interest Payment Date shall be the amount of interest accrued from, and including, the immediately preceding Interest Payment Date to

(Reverse of Security continued on next page)

which interest has been paid or duly provided for (or, if no interest has yet been paid, from and including the Issue Date), to, but excluding, such Interest Payment Date or the Stated Maturity or such earlier date as the Principal Amount shall become due in accordance with the terms hereof, as the case may be.

Payments of interest hereon with respect to any Interest Payment Date or at maturity will include interest accrued to but excluding such Interest Payment Date or such maturity date, as the case may be. Interest hereon shall be computed on the basis of a 360-day year of twelve 30-day months unless an Alternative Day Count Convention is specified on the face hereof.

Unless otherwise specified on the face hereof, if any Interest Payment Date for this Security falls on a day that is not a Business Day, the interest payment shall be postponed to the next succeeding Business Day, and no interest on such payment shall accrue for the period from and after the Interest Payment Date. If the maturity date or any earlier redemption date with respect to this Security falls on a day that is not a Business Day, the payment of principal, premium, if any, and interest otherwise due on such day will be made on the next succeeding Business Day, and no interest on such payment shall accrue for the period from and after such maturity date or redemption date, as the case may be.

Unless otherwise specified on the face hereof: “Business Day”:

- (a) for the purposes of Sections 8A.1 to 8A.4 and, if Option 1 (Section 8A.2) applies to this Security, Section 9A, means a day which is a business day within the meaning of the listing rules of the Australian Securities Exchange, or any successor (“**ASX**”) as amended, varied or waived (whether in respect of the Issuer or generally) from time to time (“**ASX Listing Rules**”); and
- (b) for all other purposes of this Security, means each Monday, Tuesday, Wednesday, Thursday and Friday that (i) is not a day on which banking institutions in The City of New York or the City of Sydney, Australia generally are authorized or obligated by law, regulation or executive order to close, (ii) if the Specified Currency for any payment on this Security is other than U.S. dollars or euros, is not a day on which banking institutions in the Principal Financial Center (as defined below) of the country issuing such Specified Currency generally are authorized or obligated by law, regulation or executive order to close, (iii) if the Specified Currency for any payment on this Security is euros, is a Euro Business Day (as defined below) and (iv) solely with respect to any payment or other action to be made or taken at any Place of Payment outside The City of New York, is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in such

(Reverse of Security continued on next page)

Place of Payment generally are authorized or obligated by law, regulation or executive order to close.

“Euro Business Day” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor system, is open for business.

“Principal Financial Center” means the capital city of the country issuing the Specified Currency, except, with respect to Australian dollars, Canadian dollars, New Zealand dollars, South African rand and Swiss francs, the Principal Financial Center shall be Sydney, Toronto, Auckland, Johannesburg and Zurich, respectively.

References in this Security to **“U.S. dollars”** shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in the United States of America.

References in this Security to the **“euro”** shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in all EMU Countries. **“EMU Countries”** means, at any time, the countries then participating in the European Economic and Monetary Union (or any successor union) that, as of that time, have adopted a single currency pursuant to the Treaty on European Union of February 1992 (or any successor treaty), as it may be amended from time to time.

References in this Security to a particular currency other than U.S. dollars and euros shall mean, as of any time, the coin or currency that is then legal tender for the payment of public and private debts in the country issuing such currency on the Issue Date.

If the Specified Currency for any payment on this Security is other than U.S. dollars, the Issuer has initially appointed the institution named on the face of this Security as Exchange Rate Agent to act as such agent with respect to this Security, but the Issuer may, in its sole discretion, appoint any other institution (including any affiliate of the Issuer) to serve as such agent from time to time. The Issuer will give the Fiscal Agent prompt written notice of any change in any such appointment. Insofar as this Security provides for any such agent to obtain rates, quotes or other data from a bank, dealer or other institution for use in making any determination hereunder, such agent may do so from any institution or institutions of the kind contemplated hereby notwithstanding that any one or more of such institutions are any such agent, affiliates of any such agent or affiliates of the Issuer.

All determinations made by the Exchange Rate Agent may be made by such agent in its sole discretion and, absent manifest error, shall be conclusive for all purposes and binding on the holder of this Security and the Issuer. The Exchange Rate Agent shall not have any liability therefor.

(Reverse of Security continued on next page)

- 4 The Issuer shall maintain in the Borough of Manhattan, The City of New York, an office or agency where Securities of this series may be surrendered for registration of transfer or exchange. The Issuer has initially appointed the corporate trust office of the Fiscal Agent in the Borough of Manhattan, The City of New York, as its agent (a “*Transfer Agent*”) for such purpose and has agreed to cause to be kept at such office a register in which, subject to such reasonable regulations as it may prescribe, the Issuer will provide for the registration of Securities and registration of transfers of Securities. The Issuer reserves the right to vary or terminate the appointment of the Fiscal Agent as security registrar or of any Transfer Agent or to appoint additional or other registrars or Transfer Agents or to approve any change in the office through which any security registrar or any Transfer Agent acts, provided that there will at all times be a security registrar in the Borough of Manhattan, The City of New York.

The transfer of this Security is registrable on the aforementioned register upon surrender of this Security at the corporate trust office of the Fiscal Agent or any Transfer Agent duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the registered holder thereof or his attorney duly authorized in writing. Upon such surrender of this Security for registration of transfer, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of like tenor and form, dated the date of authentication thereof, of an authorized denomination or authorized denominations and of a like aggregate Principal Amount.

At the option of the registered holder upon request confirmed in writing, Securities may be exchanged for Securities of an authorized denomination or authorized denominations and of a like tenor, form and aggregate Principal Amount upon surrender of the Securities to be exchanged at the office of any Transfer Agent or at the corporate trust office of the Fiscal Agent. Whenever any Securities are so surrendered for exchange, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver, the Securities which the registered holder making the exchange is entitled to receive. Any registration of transfer or exchange will be effected upon the Transfer Agent or the Fiscal Agent, as the case may be, being satisfied with the documents of title and identity of the person making the request and subject to such reasonable regulations as the Issuer may from time to time agree with the Transfer Agents and the Fiscal Agent.

In the event of a redemption of the Securities in part, the Issuer shall not be required (i) to register the transfer of or exchange any Security during a period beginning at the opening of business 15 calendar days before, and continuing until, the date notice is given identifying the Securities to be redeemed, or (ii) to register the transfer of or exchange any Security, or portion thereof, called for redemption.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Issuer, evidencing the same debt, and

(Reverse of Security continued on next page)

entitled to the same benefits, as the Securities surrendered upon such registration of transfer or exchange. No service charge shall be made for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith, other than an exchange in connection with a partial redemption of a Security not involving any registration of a transfer.

Prior to due presentment of this Security for registration of transfer, the Issuer, the Fiscal Agent and any agent of the Issuer or the Fiscal Agent may treat the person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Issuer nor the Fiscal Agent or any such agent shall be affected by notice to the contrary.

5 The Issuer shall pay to the Fiscal Agent at its principal corporate trust office in the Borough of Manhattan, The City of New York, on or prior to each Interest Payment Date, any Redemption Date and the maturity date of this Security, in such amounts sufficient (with any amounts then held by the Fiscal Agent and available for the purpose) to pay the interest on, the redemption price of and accrued interest (if the Redemption Date is not an Interest Payment Date) on, and the principal of, the Securities due and payable on such Interest Payment Date, Redemption Date or maturity date, as the case may be. The Fiscal Agent shall apply the amounts so paid to it to the payment of such interest, redemption price and principal in accordance with the terms of the Fiscal Agency Agreement and this Security.

Any monies paid by the Issuer to a Paying Agent for the payment of the principal of (and premium, if any) or interest on any Securities and remaining unclaimed at the end of two years after such principal, premium or interest shall have become due and payable (whether at maturity, upon call for redemption or otherwise) shall then be repaid (without interest) to the Issuer, and upon such repayment all liability of the Fiscal Agent with respect thereto shall cease, without, however, limiting in any way any obligation the Issuer may have to pay the principal of (and premium, if any) and interest on this Security as the same shall become due.

6 (a) All payments of, or in respect of, principal of, and any premium and interest on this Security will be made without withholding or deduction for, or on account of, any taxes, assessments or other governmental charges (“**Relevant Tax**”) imposed or levied by or on behalf of Australia or any political subdivision or taxing authority in or of Australia and/or where the Issuer is acting through a branch, the jurisdiction in which the branch is located or any political subdivision or taxing authority in or of that jurisdiction (each a “**Relevant Jurisdiction**”) unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts of, or in respect of, the principal of, and any premium and interest on, this Security (“**Additional Amounts**”) as will result (after deduction of such taxes, duties, assessments or governmental charges and

(Reverse of Security continued on next page)

any additional taxes, duties, assessments or governmental charges payable in respect of such Additional Amounts) in the payment to the holder of this Security of the amounts which would have been payable in respect of this Security had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

- (i) to the extent that the Relevant Tax is imposed or levied by virtue of the holder, or the beneficial owner, of this Security having some connection (whether present, past or future) with a Relevant Jurisdiction, other than mere receipt of such payment or being a holder, or the beneficial owner, of this Security;
- (ii) to the extent that the Relevant Tax is imposed or levied by virtue of the holder, or the beneficial owner, of this Security not complying with any statutory requirements or not having made a declaration of non-residence in, or lack of connection with, a Relevant Jurisdiction or any similar claim for exemption (including supplying an appropriate tax file number or Australian Business Number), if the Issuer, or any other agent of the Issuer, has provided a holder, or beneficial owner, of this Security with at least 60 days' prior written notice of an opportunity to comply with such statutory requirements or make a declaration or claim;
- (iii) to the extent that the Relevant Tax is imposed or levied by virtue of a holder, or beneficial owner, of this Security having presented for payment more than 30 days after the date on which the payment in respect of this Security first became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (iv) to the extent that the Relevant Tax is imposed or levied by virtue of a holder of this Security being an Offshore Associate of the Issuer (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of the Commonwealth of Australia). "*Offshore Associate*" means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 of the Commonwealth of Australia and successor legislation) of the Issuer that is either a non-resident of Australia which does not acquire this Security in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires this Security in carrying on business at or through a permanent establishment outside of Australia;
- (v) to the extent that the Relevant Tax is imposed or levied as a result of the holder being party to or participating in a scheme which had the dominant purpose of avoiding tax, being a scheme which the Issuer was neither a party to nor participated in;

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- (vi) to the extent that the Relevant Tax is imposed or levied by virtue of a holder, or the beneficial owner, of this Security having presented this Security for payment in a Relevant Jurisdiction, unless this Security could not have been presented for payment elsewhere; or
- (vii) any combination of the above.

In addition, any amounts to be paid on this Security will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (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 intergovernmental agreement 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.

(b) No Additional Amounts shall be paid with respect to any payment of, or in respect of, the principal of, or any premium or interest on, this Security to any such holder who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent such payment would, under the laws of the Commonwealth of Australia or any political subdivision or taxing authority thereof or therein, be treated as being derived or received for tax purposes by a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had it been the holder of this Security.

(c) Whenever in this Security there is mentioned, in any context, any payment of, or in respect of, the principal of, or any premium or interest on, this Security, such mention shall be deemed to include mention of the payment of Additional Amounts provided for in Section 6(a) to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of such Section.

(d) At least 10 days prior to each date on which any payment under or with respect to this Security is due and payable, if the Issuer will be obligated to pay Additional Amounts with respect to such payment, the Issuer will deliver to the Fiscal Agent and the Paying Agent an Officer’s Certificate (as hereinafter defined) stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the Fiscal Agent and such Paying Agent to pay such Additional Amounts to the holders on the payment date; ***provided, however,*** that if 10 days prior to each date on which any such payment is due and payable the amount of such payment has not yet been determined, the Issuer shall notify the Fiscal Agent of such amount promptly after such amount has been determined.

7 (a) Prior to the commencement of a Winding Up of the Issuer (as hereinafter defined) (i) the obligations of the Issuer to make any payment of the principal of, premium (if any) and interest on or any other amounts (including Additional Amounts) shall be deemed to be satisfied to the extent of any such payment made by the Issuer; and (ii) the obligations of the Issuer to make any such payment shall be deemed to be satisfied to the extent of any such payment made by the Issuer.

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Amounts) payable in respect of this Security shall be conditional upon the Issuer being Solvent (as hereinafter defined) at the time the obligation to make such payment falls due and (ii) no payment of principal, premium (if any), interest, Additional Amounts or any other amount payable in respect of this Security shall be made in respect of this Security except to the extent that the Issuer may make any such payment and still be Solvent immediately thereafter.

For the purposes of this Section 7, the Issuer shall be considered to be “Solvent” if (A) the Issuer is able to pay all its debts as and when they become due and payable and (B) the Issuer's assets exceed its liabilities, in each case determined on an unconsolidated stand-alone basis. A certificate as to whether the Issuer is Solvent signed by two authorised officers of the Issuer, an auditor of the Issuer or, if the Issuer is being wound up, its liquidator, shall be conclusive evidence of the information contained therein in the absence of willful default, bad faith or manifest error. Neither the Fiscal Agent nor any Paying Agent is obliged to obtain any such certificate prior to any due date for payment of any amount in respect of this Security or at any other time. In the absence of such a certificate, the Fiscal Agent, each Paying Agent and the holder of this Security shall be entitled to assume (unless the contrary is proved) that the Issuer is Solvent and will be Solvent immediately after any payment referred to above is made.

(b) On the Winding-Up of the Issuer, the rights and claims of the holder of this Security against the Issuer to recover any sums payable in respect of this Security shall be subordinate and junior in right of payment to the obligations of the Issuer to Other Creditors (as hereinafter defined), to the extent that all obligations of the Issuer to Other Creditors shall be entitled to be paid in full prior to any payment of the principal of, premium (if any) or interest on or any other amounts (including Additional Amounts) payable in respect of this Security and, subject to Section 8A, shall rank *pari passu* with Equal Ranking Securities and ahead of Junior Ranking Securities.

(c) If there is a Winding Up in respect of the Issuer and, notwithstanding paragraph (b) above, the Fiscal Agent, the Paying Agent or the holder of this Security receives any payment or distribution of the assets of the Issuer of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Issuer being subordinated to the payment of this Security, before all the claims of Other Creditors are paid in full or payment thereof is duly provided for, and if such fact shall, at or prior to the time of such payment or distribution, have been made known to the Fiscal Agent, the Paying Agent or, as the case may be, the holder of this Security, then and in such event such payment or distribution shall be paid over or delivered forthwith to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other person making payment or distribution of assets of the Issuer for application to the payment of all claims of the Other Creditors remaining unpaid, to the extent necessary to pay all such claims in full, after giving effect to any concurrent payment or distribution to or for the account of the Other Creditors.

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(d) Neither the Issuer nor a holder of this Security has any contractual right to set off any sum at any time due and payable to a holder or the Issuer (as applicable) under or in relation to this Security against amounts owing by the holder to the Issuer or by the Issuer to the holder (as applicable).

(e) On a Winding Up of the Issuer, the holder of this Security shall only be entitled to prove for any sums payable in respect of this Security as a debt which is subject to and contingent upon prior payment in full of the obligations of the Issuer to the Other Creditors, and the holder of this Security waives to the fullest extent permitted by law any right to prove in the Winding Up as a creditor of the Issuer ranking for payment in any other manner.

(f) The provisions of this Section shall not affect or prejudice the payment of any amounts by the Issuer in respect of costs, charges, expenses, liabilities, indemnities or remuneration of the Fiscal Agent or any Paying Agent pursuant to the Fiscal Agency Agreement or the rights and remedies of the Fiscal Agent or the Paying Agent in respect thereof.

(g) For the purposes of this Section 7, “*Other Creditors*” means all present and future creditors of the Issuer (including but not limited to depositors of the Issuer and holders of any other instruments issued before 1 January 2013 as a Tier 2 Capital Security) whose claims (i) would be entitled to be admitted in the Winding Up of the Issuer and (ii) are not in respect of Equal Ranking Securities or Junior Ranking Securities.

(h) For the purposes of this Section 7 and Section 9, “Winding Up” shall mean any procedure whereby the Issuer may be wound-up, dissolved, liquidated or cease to exist as a body corporate whether brought or instigated by a holder of this Security or any other person and whether or not involving insolvency or bankruptcy, but shall exclude any Winding Up under or in connection with a scheme of amalgamation or reconstruction not involving our bankruptcy or insolvency where the obligations of the Issuer are assumed by a successor to which all, or substantially all, of the property, assets and undertaking of the Issuer are transferred or where an arrangement with similar effect not involving a bankruptcy or insolvency is implemented.

(i) For the purposes of this Section 7, “*Equal Ranking Securities*” means any instrument that ranks in a Winding Up of the Issuer as the most junior claim in the Winding Up of the Issuer ranking senior to Junior Ranking Securities, and includes (i) the Perpetual Capital Floating Rate Notes issued under the trust deed dated 30 October 1986 between the Issuer and Bankers Trustee Company Limited, as amended from time to time (except in so far as such amendment is inconsistent with such ranking) and (ii) any other instruments issued after 1 January 2013 as Relevant Tier 2 Securities (as defined in Section 8A.4).

(j) For the purposes of this Section 7, “*Junior Ranking Securities*” means any instrument that (i) qualifies as Tier 1 Capital (as defined in Section 8A.4) or,
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in the case of any instrument issued prior to 1 January 2013, was treated as constituting Tier 1 Capital in accordance with the prudential standards which applied to ANZ prior to 1 January 2013 irrespective of whether or not such instrument is treated as constituting Tier 1 Capital in accordance with any transitional arrangements approved by the Australian Prudential Regulation Authority or any authority succeeding to its powers and responsibilities (“APRA”) and (ii) by its terms is, or is expressed to be, subordinated in a Winding Up of the Issuer to the claims of holders of the Securities of this series and other Equal Ranking Securities.

(k) Any amount not paid due to Section 7(a) or Section 9(d), remains a debt owing to the holder of this Security by the Issuer until it is paid and will be payable on the first date on which payment can be made in compliance with the relevant Section.

8 (a) If specified on the face of this Security and subject to the prior written approval of APRA having been obtained, the Securities of this series may be redeemed, as a whole but not in part, at the option of the Issuer, at a redemption price equal to 100% of the Principal Amount of the Securities to be redeemed together with interest accrued to the date fixed for redemption, if a Regulatory Event occurs, *provided, however*, that (1) the Issuer shall deliver to the holder of this Security an opinion of counsel confirming that the conditions that must be satisfied for such redemption have occurred and (2) the Issuer will not be permitted to redeem this Security unless the Security is replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Security is done under conditions that are sustainable for the Issuer’s income capacity or APRA is satisfied that the Issuer’s capital position is well above its minimum capital requirements after the Issuer elects to redeem this Security. Immediately prior to the giving of any notice of redemption of Securities pursuant to this subsection (b), the Issuer will deliver to the Fiscal Agent an Officer’s Certificate stating that the Issuer is entitled to effect such redemption and setting forth in reasonable detail a statement of facts showing that the conditions precedent to the right of the Issuer to so redeem the Securities have occurred.

For the purposes of this Security, “*Regulatory Event*” shall mean the receipt by the directors of the Issuer of (x) an opinion from a reputable legal counsel that as a result of any amendment to, clarification of or change (including any announcement of a prospective change) in, any law or regulation in any Relevant Jurisdiction, or any official administrative pronouncement or action or judicial decision interpreting or applying such laws or regulations, which amendment, clarification or change is effective, or pronouncement, action or decision is announced, on or after the Issue Date or (y) an official written statement from APRA that, in each case, the Issuer is not or will not be entitled to treat all Securities of a series as Tier 2 Capital (as defined in Section 8A.4), provided that, in each case, on the Issue Date, the Issuer did not expect that matters giving rise to the Regulatory Event would occur.

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For the purposes of this Security, “*Regulatory Capital*” shall mean a Tier 1 Capital Security or a Tier 2 Capital Security.

(b) If a Redemption Commencement Date is specified on the face hereof, this Security is subject to redemption, at any time on or after the Redemption Commencement Date (which may not be before the fifth anniversary of the Issue Date of this Security), as a whole or in part, at the option of the Issuer (but subject to the prior written approval of APRA having been obtained and provided that the Issuer will not be permitted to redeem this Security unless the Security is replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Security is done under conditions that are sustainable for the Issuer’s income capacity or APRA is satisfied that the Issuer’s capital position is well above its minimum capital requirements after the Issuer elects to redeem this Security), at the Redemption Price specified on the face hereof (expressed as a percentage of the Principal Amount of this Security) applicable to the Redemption Period specified on the face hereof, together in the case of any such redemption with accrued interest (unless such date is an Interest Payment Date) to the Redemption Date (but interest installments due on or prior to the Redemption Date will be payable to the holder of record of this Security at the close of business on the relevant record dates).

(c) In the case of any partial redemption of Securities, the Issuer will give the holder written notice of the Principal Amount of the Securities to be redeemed not less than 30 days nor more than 60 days prior to the Redemption Date unless otherwise specified in the relevant Pricing Supplement for the Outstanding Securities of a like tenor not previously called for redemption, by such method as the Fiscal Agent shall deem fair and appropriate and which may provide for the selection for redemption of portions equal to at least the minimum authorized denomination of such Securities.

(d) Notices to redeem Securities shall be given in writing mailed, first-class postage prepaid, to each holder of Securities at his address as it appears in the register hereinabove referred to. Such notice will be given once not more than 60 days nor less than 30 days prior to the date fixed for redemption. If by reason of the suspension of regular mail service, or by reason of any other cause, it shall be impracticable to give notice to the holders of Securities in the manner prescribed herein, then such notification in lieu thereof as shall be made by the Issuer or by the Fiscal Agent on behalf of and at the instruction of the Issuer shall constitute sufficient provision of such notice, if such notification shall, so far as may be practicable, approximate the terms and conditions of the mailed notice in lieu of which it is given. Neither the failure to give notice nor any defect in any notice given to any particular holder of a Security shall affect the sufficiency of any notice with respect to that holder or any other holders. Such notices will be deemed to have been given on the date of such mailing. Notices to redeem Securities shall specify the date fixed for redemption, the applicable redemption price, the place or places of payment, that payment will be made upon presentation and surrender of the Securities to be redeemed (or portion thereof in the case of a partial redemption), that interest accrued to the date fixed for redemption (unless such date is an

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Interest Payment Date) will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue. If the redemption is pursuant to Section 8(a) hereof, such notice shall also state that the conditions precedent to such redemption have occurred and state that the Issuer has elected to exercise its option to redeem the Securities pursuant to Section 8(a).

(e) Any Security which is to be redeemed only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the unredeemed portion of the principal of the Registered Security so surrendered.

(f) The Issuer and any of its Related Entities (as defined in Section 8A.4) may, to the extent permitted by applicable laws and regulations, at any time purchase this Security in the open market or otherwise, provided that the Issuer may not purchase, or procure that any of its Related Entities purchase, any Security without the prior written consent of APRA.

Holders of this Security should not expect that APRA's approval will be given for any redemption or purchase of this Security.

8A.1 A “**Non-Viability Trigger Event**” means the earlier of:

- (a) the issuance to the Issuer of a written determination from APRA that conversion or write-off of Relevant Securities is necessary because, without it, APRA considers that the Issuer would become non-viable; or
- (b) a determination by APRA, notified to the Issuer in writing, that without a public sector injection of capital, or equivalent support, the Issuer would become non-viable,

each such determination being a “**Non-Viability Determination**”.

8A.2 **OPTION 1: CONVERSION WITH A FALL BACK TO WRITE-OFF**

- (a) If a Non-Viability Trigger Event occurs:
 - (i) on the Trigger Event Date, subject only to subsection (e) of this Section 8A.2, such Principal Amount of the Securities will immediately Convert as is required by the Non-Viability Determination provided that, where such Non-Viability Determination does not require all Relevant Securities to be converted into Ordinary Shares or written-off, such Principal Amount of the Securities shall Convert as is sufficient (determined by the

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Issuer in accordance with subsection (a)(ii) of this Section 8A.2) to satisfy APRA that the Issuer is viable without further conversion or write-off;

(ii) the Issuer will determine the Principal Amount of Securities which must be Converted in accordance with subsection (a)(i) of this Section 8A.2, on the following basis:

(A) first, convert into Ordinary Shares or write-off all Relevant Tier 1 Securities; and

(B) secondly, if conversion into Ordinary Shares or write-off of all Relevant Tier 1 Securities is not sufficient to satisfy the requirements of subsection (a)(i) of this Section 8A.2 (and provided that as a result of the conversion or write-off of Relevant Tier 1 Capital Securities APRA has not withdrawn the Non-Viability Determination), Convert a Principal Amount of Securities and convert into Ordinary Shares or write-off a number or principal amount of other Relevant Tier 2 Securities on an approximately pro-rata basis or in a manner that is otherwise, in the opinion of the Issuer, fair and reasonable (subject to such adjustment as the Issuer may determine to take into account the effect on marketable parcels and the need to round to whole numbers the number of Ordinary Shares and the authorized denominations of the Principal Amount of any Securities or the number or principal amount of other Relevant Tier 2 Securities remaining on issue, and the need to effect the conversion immediately) and, for the purposes of the foregoing, where the specified currency of the principal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable,

provided that such determination does not impede or delay the immediate Conversion of the relevant Principal Amount of Securities;

(iii) on the Trigger Event Date, the Issuer shall determine the Securities or portions thereof as to which the Conversion is to take effect and in making that determination may make any decisions with respect to the identity of the holders of Securities at that time as may be necessary or desirable to ensure Conversion occurs in an orderly manner, including disregarding any transfers of Securities that have not been settled or registered at that time;

(iv) the Issuer must give notice of its determination pursuant to subsection (a)(iii) of this Section 8A.2 (a "**Trigger Event Notice**") as soon
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as practicable to the Fiscal Agent and holders of Securities, which must specify:

- (A) the Trigger Event Date;
 - (B) the Principal Amount of the Securities Converted; and
 - (C) the relevant number or principal amount of other Relevant Securities converted or written-off;
- (v) none of the following events shall prevent, impede or delay the Conversion of Securities as required by subsection (a)(i) of this Section 8A.2:
- (A) any failure or delay in the conversion or write-off of other Relevant Securities;
 - (B) any failure or delay in giving a Trigger Event Notice; and
 - (C) any failure or delay in quotation of Ordinary Shares to be issued on Conversion; and
- (vi) from the Trigger Event Date, the Issuer shall treat the holder of any Security which is required to be Converted as the holder of the relevant number of Ordinary Shares and will take all such steps, including updating any register, required to record the Conversion and the issuance of such Ordinary Shares.
- (b) Where a Principal Amount of Securities is required to be Converted under this Section 8A.2, a holder of Securities that are subject to Conversion wishing to receive Ordinary Shares must, no later than the Trigger Event Date (or, in the case where Section 8A.2(d)(v) applies, within 30 days of the date on which Ordinary Shares are issued upon such Conversion), have provided to the Issuer:
- (i) its name and address (or the name and address of any person in whose name it directs the Ordinary Shares to be issued) for entry into any register of title and receipt of any certificate or holding statement in respect of any Ordinary Shares;
 - (ii) the security account details of such holder of Securities in CHESS (being the Clearing House Electronic Subregister System of Australia operated by the ASX or its affiliates or successors) or such other account to which the Ordinary Shares may be credited; and

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- (iii) such other information as is reasonably requested by the Issuer for the purposes of enabling it to issue the Conversion Number of Ordinary Shares to the holder of Securities.
- (c) Subject to Section 8A.2(d) and Section 8A.2(e), if, in respect of a Conversion of Securities, the Issuer fails to issue, on the Trigger Event Date, the Conversion Number of Ordinary Shares in respect of the Principal Amount of such Securities to, or in accordance with the instructions of, the relevant holder of Securities on the Trigger Event Date or any other nominee where Section 8A.2(d) applies, the Principal Amount of such Securities which would otherwise be subject to Conversion shall remain on issue and outstanding until:
 - (i) the Ordinary Shares are issued to, or in accordance with the instructions of, the holder of such Securities; or
 - (ii) such Securities are Written-Off in accordance with the terms hereof;

provided, however, that the sole right of the holder of Securities in respect of Securities that are subject to Conversion is its right to be issued Ordinary Shares upon Conversion (subject to its compliance with Section 8A.2(b) or to receive the proceeds from their sale pursuant to Section 8A.2(d), as applicable) and the remedy of such holder in respect of the Issuer's failure to issue the Ordinary Shares is limited (subject always to Section 8A.2(e)) to seeking an order for specific performance of the Issuer's obligation to issue the Ordinary Shares to the Holder or where Section 8A.2(d) applies to the nominee and to receive such proceeds of sale, in each case, in accordance with the terms of the Securities. This Section 8A.2(c) does not affect the obligation of the Issuer to issue the Ordinary Shares when required in accordance with the terms hereof.

- (d) If, in respect of a Security and a holder of that Security, the Security is required to be Converted and:
 - (i) the holder of the Security has notified the Issuer that it does not wish to receive Ordinary Shares as a result of the Conversion (whether entirely or to the extent specified in the notice), which notice may be given at any time prior to the Trigger Event Date;
 - (ii) the Securities are held by a registered holder of the Security whose address in the register is a place outside Australia or who the Issuer otherwise believes may not be a resident of Australia (a "**Foreign Holder**"); or
 - (iii) for any reason (whether or not due to the fault of the holder of the Security) the Issuer has not received the information required by subsection (b) of this Section 8A.2 prior to the Trigger Event Date and the

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lack of such information would prevent the Issuer from issuing the Ordinary Shares to the holder of the Security on the Trigger Event Date,

then, on the Trigger Event Date:

- (iv) where subsection (d)(i) or (d)(ii) of this Section 8A.2 applies, the Issuer shall issue the Ordinary Shares to the holder of the Security only to the extent (if at all) that:
 - (A) where subsection (d)(i) of this Section 8A.2 applies, the holder of the Security has notified the Issuer that it wishes to receive them;
 - (B) where subsection (d)(ii) of this Section 8A.2 applies, the Issuer is satisfied that the laws of both the Commonwealth of Australia and the Foreign Holder's country of residence permit the issue of Ordinary Shares to the Foreign Holder (but as to which the Issuer is not bound to enquire), either unconditionally or after compliance with conditions which the Issuer in its absolute discretion regards as acceptable and not unduly onerous;

and, to the extent the Issuer is not obliged to issue Ordinary Shares to the holder of the Security, the Issuer will issue the balance of the Ordinary Shares to the nominee in accordance with subsection (d)(v); and

- (v) otherwise, subject to applicable law, the Issuer will issue the balance of Ordinary Shares in respect of the holder of the Security to a competent nominee (which may not be the Issuer or any of its Related Entities) and will promptly notify such holder of the name of and contact information for the nominee and the number of Ordinary Shares issued to the nominee on its behalf and, subject to applicable law and:
 - (A) subject to subsection (d)(v)(B) of this Section 8A.2, the nominee will as soon as reasonably possible and no later than 35 days after issue of the Ordinary Shares sell those Ordinary Shares and pay a cash amount equal to the net proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to the holder of the Security; and
 - (B) where subsection (d)(iii) of this Section 8A.2 applies, the nominee will hold such Ordinary Shares and will transfer Ordinary Shares to such holder promptly after such holder provides the nominee with the information required to be provided by such holder under Section 8A.2(b) (as if a reference in subsection (iii) of Section 8A.2(b) to the Issuer is a reference to the nominee and a reference to the issue of Ordinary Shares is a reference to the transfer of Ordinary Shares) but only where such information is provided to

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the nominee within 30 days of the date on which Ordinary Shares are issued to the nominee upon Conversion of such Security and failing which the nominee will sell the Ordinary Shares and pay the proceeds to such holder in accordance with subsection (d)(v)(A) of this Section 8A.2; and

- (vi) nothing in this subsection (d) shall affect the Conversion of the Securities of a holder who is not a person to which any of subsections (d)(i) to (d)(iii) (inclusive) of this Section 8A.2 applies.
- (e) Notwithstanding any other provision of this Section 8A.2, where on the Trigger Event Date an Inability Event exists, and Conversion of the Principal Amount of the Securities that are subject to Conversion has not been effected within 5 Business Days after the relevant Trigger Event Date, (A) to the extent such event prevents the Issuer from Converting the Principal Amount of Securities which, but for this subsection (e), would be Converted, the Principal Amount of those Securities will not be Converted and instead will be Written-Off on the expiry of the 5th Business Day after the Trigger Event Date and (B) the Issuer shall notify the Fiscal Agent and the holders of the Notes of the foregoing as promptly as practically possible.
- (f) Each holder of Securities irrevocably:
 - (i) consents to becoming a member of the Issuer upon the Conversion of Securities as required by this Section 8A.2 and agrees to be bound by the constitution of the Issuer, in each case in respect of the Ordinary Shares issued to such holder on Conversion;
 - (ii) acknowledges and agrees that it is obliged to accept Ordinary Shares upon a Conversion of the Securities it holds notwithstanding anything that might otherwise affect a Conversion of such Securities including:
 - (A) any change in the financial position of the Issuer since the issue of such Securities;
 - (B) any disruption to the market or potential market for the Ordinary Shares or to capital markets generally; or
 - (C) any breach by the Issuer of any obligation in connection with such Securities;
 - (iii) acknowledges and agrees that where Section 8A.2(a) applies:
 - (A) there are no other conditions to a Non-Viability Trigger Event occurring as and when provided in Section 8A.1;

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- (B) Conversion must occur immediately on the occurrence of a Non-Viability Trigger Event and that may result in disruption or failures in trading or dealings in the Securities;
 - (C) it will not have any rights to vote in respect of any Conversion; and
 - (D) the Ordinary Shares issued on Conversion may not be quoted at the time of issue, or at all;
- (iv) acknowledges and agrees that where Section 8A.2(e) applies, no conditions or events will affect the operation of that Section and such holder will not have any rights to vote in respect of any Write-Off under that Section;
 - (v) acknowledges and agrees that such holder has no right to request a Conversion of any Securities or to determine whether (or in what circumstances) the Securities it holds are Converted; and
 - (vi) acknowledges and agrees that none of the following shall prevent, impede or delay the Conversion or (where relevant) Write-Off of the Securities:
 - (A) any failure to or delay in the conversion or write-off of other Relevant Securities;
 - (B) any failure or delay in giving a Trigger Event Notice or other notice required by this Section 8A.2;
 - (C) any failure or delay in quotation of the Ordinary Shares to be issued on Conversion;
 - (D) any failure or delay by a holder of a Security or any other party in complying with the provisions of Section 8A.2(h); and
 - (E) any requirement to select or adjust the number or principal amount of Securities to be Converted in accordance with Section 8A.2(a)(ii)(B).
- (g) For the purposes of this Section 8A.2 “*Written-Off*” shall mean that, in respect of a Security or portion thereof that is otherwise subject to Conversion and a Trigger Event Date:
 - (i) the Security or portion thereof that is otherwise subject to Conversion will not be Converted on that date and will not be Converted or redeemed under the terms hereof on any subsequent date; and

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- (ii) on and from the expiry of the fifth Business Day after the relevant Trigger Event Date, the rights of the relevant holder of the Security or portion thereof (including to any right to receive any payment thereunder including interest both future and as accrued but unpaid as at the Trigger Event Date) in relation to such Security or portion thereof are immediately and irrevocably terminated and written-off; and

“*Write-Off*” has a corresponding meaning.

- (h) Subject to Section 9A.1(c)(ii), any Security which is to be Converted or Written-Off only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of this series of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the non-Converted or non-Written-Off portion of the Principal Amount of the Security so surrendered.
- (i) A Non-Viability Determination takes effect, and the Issuer must perform the obligations in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day.
- (j) Where a Security is Converted or Written-Off only in part, then the amount of interest payable in respect of that Security on each Interest Payment Date falling after that Trigger Event Date will be reduced and calculated on the Principal Amount of that Security as reduced on the date of the Conversion or Write-Off.

8A.3 *OPTION 2: WRITE-OFF*

- (a) If a Non-Viability Trigger Event occurs:
 - (i) on the Trigger Event Date, such Principal Amount of the Securities will immediately be Written-Off as is required by the Non-Viability Determination provided that where such Non-Viability Determination does not require all Relevant Securities to be converted into Ordinary Shares or written-off, such Principal Amount of the Securities shall be immediately Written-Off as is sufficient (determined by the Issuer in accordance with subsection (a)(ii) of this Section 8A.3) to satisfy APRA that the Issuer is viable without further conversion or write-off;
 - (ii) the Issuer will determine the Principal Amount of Securities which must be Written-Off in accordance with subsection (a)(i) of this Section 8A.3, on the following basis:

(Reverse of Security continued on next page)

- (A) first, convert into Ordinary Shares or write-off all Relevant Tier 1 Securities; and
- (B) secondly, if conversion into Ordinary Shares or write-off of those Relevant Tier 1 Securities is not sufficient to satisfy the requirements of subsection (a)(i) of this Section 8A.3 (and provided that as a result of the conversion or write-off of Relevant Tier 1 Capital Securities APRA has not withdrawn the Non-Viability Determination), Write-Off a Principal Amount of Securities and convert into Ordinary Shares or write-off other Relevant Tier 2 Securities on an approximately pro-rata basis or in a manner that is otherwise, in the opinion of the Issuer, fair and reasonable and, for the purposes of the foregoing, where the specified currency of the principal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable,

provided that such determination does not impede or delay the immediate Write-Off of the relevant Principal Amount of Securities;

- (b) on the Trigger Event Date, the Issuer shall determine the Securities or portions thereof as to which the Write-Off is to take effect and in making that determination may make any decisions with respect to the identity of the holders of Securities at that time as may be necessary or desirable to ensure Write-Off occurs in an orderly manner, including disregarding any transfers of Securities that have not been settled or registered at that time;
- (c) the Issuer must give notice of its determination pursuant to subsection (b) of this Section 8A.3 (a "**Trigger Event Notice**") as soon as practicable to the Fiscal Agent and the holders of Securities, which must specify:
 - (i) the Trigger Event Date;
 - (ii) the Principal Amount of the Securities Written-Off ; and
 - (iii) the relevant number or principal amount of other Relevant Securities converted or written-off;
- (d) none of the following events shall prevent, impede or delay the Write-Off of Securities as required by subsection (a)(i) of this Section 8A.3:
 - (i) any failure or delay in the conversion or write-off of other Relevant Securities;

(Reverse of Security continued on next page)

- (ii) any failure or delay in giving a Trigger Event Notice;
 - (iii) any requirement to select or adjust the number or Principal Amount of Securities to be Written-Off in accordance with Section 8A.3(a)(ii)(B); and
 - (iv) any failure or delay by a holder of a Security or any other party in complying with the provisions of Section 8A.3(g).
- (e) Each holder of Securities irrevocably:
- (i) acknowledges and agrees that no conditions or events will affect the operation of this Section and such holder of Securities will not have any rights to vote in respect of any 8A.3 Write-Off under this Section; and
 - (ii) acknowledges and agrees that any failure or delay in Writing-Off a Security held by the holder pursuant to the provisions of Section 8A.3(g), shall not prevent, impede or delay the Write-Off of such Security.
- (f) For the purposes of this Section 8A.3 “*Written-Off*” shall mean that, in respect of a Security or portion thereof and a Trigger Event Date, the rights of the relevant holder of the Security (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date) in relation to such Security or portion thereof are immediately and irrevocably terminated and written-off, and “*Write-Off*” has a corresponding meaning.
- (g) Any Security which is to be Written-Off only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in the form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to the registered holder of such Security without service charge, a new Security or Securities of like form and tenor, of any aggregate Principal Amount equal to and in exchange for the non-Written-Off portion of the Principal Amount of the Security so surrendered.
- (h) A Non-Viability Determination takes effect, and the Issuer must perform the obligations in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day.
- (i) Where a Security is Written-Off only in part, then the amount of interest payable in respect of that Security on each Interest Payment Date falling after that Trigger Event Date will be reduced and calculated on the Principal Amount of that Security as reduced on the date of the Write-off.

(Reverse of Security continued on next page)

8A.4 For the purposes of this Security the following terms shall have the following meanings:

“**Control**” has the meaning given in the Corporations Act 2001 of the Commonwealth of Australia.

“**Controlled Entity**” shall mean, in respect of the Issuer, an entity the Issuer Controls.

“**Conversion**” shall mean, in relation to a Security, the conversion of the relevant Principal Amount of that Security into a number of Ordinary Shares in accordance with Schedule A, and **Convert** and **Converted** have corresponding meanings.

“**Inability Event**” shall mean the Issuer is prevented by applicable law or order of any court or action of any government authority (including regarding the insolvency winding-up or other external administration of the Issuer) or any other reason from Converting the Securities.

“**Issuer Group**” shall mean the Issuer and its Controlled Entities.

“**Level 1**”, “**Level 2**” and “**Level 3**” means those terms as defined by APRA from time to time.

“**Ordinary Share**” shall mean a fully paid ordinary share in the capital of the Issuer.

“**Related Entity**” has the meaning given by APRA from time to time.

“**Relevant Securities**” shall mean each of:

- (i) Relevant Tier 1 Securities; and
- (ii) Relevant Tier 2 Securities;

“**Relevant Tier 1 Security**” shall mean, where a Non-Viability Trigger Event occurs, a Tier 1 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

“**Relevant Tier 2 Security**” shall mean, where a Non-Viability Trigger Event occurs, a Tier 2 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

“**Tier 1 Capital**” shall mean the Tier 1 capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

(Reverse of Security continued on next page)

“**Tier 1 Capital Security**” means a share, note or other security or instrument constituting Tier 1 Capital.

“**Tier 2 Capital**” shall mean Tier 2 capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

“**Tier 2 Capital Security**” means a note or other security or instrument constituting Tier 2 Capital.

“**Trigger Event Date**” shall mean the date (whether or not a Business Day) on which APRA notifies the Issuer of a Non-Viability Trigger Event as contemplated in Section 8A.1.

- 9 (a) The following events or circumstances are “**Events of Default**” with respect to this Security and shall give rise to the limited remedies set out in this Section 9 only: (i) the making of an order by a court of the State of Victoria, Australia or of the Commonwealth of Australia or a court with appellate jurisdiction from any such court which is not successfully appealed or permanently stayed within 60 days of the entry of that order or the valid adoption by the shareholders of the Issuer of an effective resolution, which in each case is for the Winding Up of the Issuer, (ii) a default by the Issuer in the payment of any amount of the principal of, or premium (if any) on, this Security on its due date for payment or (iii) a default by the Issuer in the payment of any amount of interest on this Security within 30 days of its due date for payment, except where, in the case of the events or circumstances set out in clauses (ii) and (iii) above, the failure is the result of the Issuer not being Solvent at the at the time such payment becomes due or if the Issuer would not be Solvent as a result of that payment.

(b) If the Event of Default set out in clause (a)(i) above occurs with respect to this Security, the Principal Amount of, the premium (if any) on and all accrued but unpaid interest on this Security shall automatically, and without any declaration or action on the part of the holder of this Security, become immediately due and payable and the holder may prove or claim in the Winding Up of the Issuer, in each case subject to the provisions of Section 7.

(c) If either of the Events of Default set out in subsections (a)(ii) or (a)(iii) above occurs and is continuing with respect to this Security, the holder of this Security may not declare the Principal Amount of this Security due and payable prior to its stated maturity, provided that in the event of the Winding Up of the Issuer the provisions of subsection (b) above shall prevail.

(d) If either of the Events of Default set out in subsections (a)(ii) or (a)(iii) above occurs and is continuing with respect to this Security, the holder of this Security may (i) institute judicial proceedings for the recovery of amounts owing under or in respect of this Security provided that the Issuer will not, by virtue of the institution

(Reverse of Security continued on next page)

of any such proceeding, be compelled to pay such amount unless the Issuer is Solvent and may make such payment and be Solvent immediately thereafter or (ii) institute proceedings in the State of Victoria, Australia (but not in any other jurisdiction) for the Winding Up of the Issuer.

(e) The holder of this Security shall have no remedy against the Issuer in the event of the occurrence of an Event of Default other than those specified in subsections (b), (c) and (d) above, whether for the recovery of amounts owing in respect of this Security or in respect of any breach by the Issuer of any of its other obligations under or in respect of this Security. In particular, the holder of this Security shall not be entitled to exercise any right of set-off or counterclaim which may be available against amounts owing by the Issuer in respect of this Security (whether prior to, or following, any bankruptcy, liquidation, Winding-Up or sequestration of the Issuer) or to seek the appointment of a receiver, administrator or provisional liquidator to the Issuer.

9A.1 Where:

(a) either of the following occurs:

(i) a takeover bid (as defined in the Corporations Act 2001 of the Commonwealth of Australia) is made to acquire all or some of the Ordinary Shares and such offer is, or becomes, unconditional and either:

(A) the bidder has at any time during the offer period, a relevant interest in more than 50% of the Ordinary Shares on issue; or

(B) the directors of the Issuer, acting as a board, issue a statement that at least a majority of its directors who are eligible to do so have recommended acceptance of such offer (in the absence of a higher offer); or

(ii) a court orders the holding of meetings to approve a scheme of arrangement under Part 5.1 of the Corporations Act 2001 of the Commonwealth of Australia, which scheme would result in a person having a relevant interest in more than 50% of the Ordinary Shares that will be on issue after the scheme is implemented and:

(A) all classes of members of the Issuer pass all resolutions required to approve the scheme by the majorities required under the Corporations Act 2001 of the Commonwealth of Australia, to approve the scheme; and

(B) an independent expert issues a report that the proposals in connection with the scheme are in the best interests of the holders of Ordinary Shares; and

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- (b) the bidder or the person having a relevant interest in the Ordinary Shares in the Issuer after the scheme is implemented (or any entity that Controls the bidder or the person having the relevant interest) is an Approved NOHC,

then the Issuer without further authority, assent or approval of the holders of the Securities may (but with the prior written approval of APRA):

- (c) amend the terms hereof such that, unless APRA otherwise agrees, on the date the Principal Amount of Securities is to be Converted:
 - (i) each Security that is being Converted in whole will be automatically transferred by each holder of this Security free from encumbrance to the Approved NOHC on the date the Conversion is to occur;
 - (ii) each Security that is being Converted only in part shall be surrendered with, if the Issuer or the Fiscal Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Fiscal Agent duly executed by, the holder thereof or his attorney duly authorized in writing, and the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver to:
 - (A) the registered holder of such Security without service charge, a new Security or Securities of like form and tenor and of the aggregate Principal Amount equal to and in exchange for the portion of the Principal Amount of the Security so surrendered that is not to be Converted; and
 - (B) the Approved NOHC without service charge, a new Security or Securities of like form and tenor and of the aggregate Principal Amount equal to and in exchange for the Principal Amount of the Security so surrendered that is to be Converted;

provided that any failure or delay by any party in complying with the provisions of Section 9A.1(c) shall not prevent, impede or delay the Conversion or Write-Off of Securities.

- (iii) each holder (or a nominee in accordance with Section 8A.2(b) or 8A.2(d) (as applicable), which provisions shall apply, mutatis mutandis, to such Approved NOHC Ordinary Shares) of the Security being Converted will be issued a number of Approved NOHC Ordinary Shares equal to the Conversion Number and the provisions of Schedule A shall apply (with any necessary changes) to the determination of the number of such Approved NOHC Ordinary Shares; and
- (iv) as between the Issuer and the Approved NOHC, each Security held by the Approved NOHC as a result of the transfer will be automatically

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Converted into a number of Ordinary Shares such that the total number of Ordinary Shares held by the Approved NOHC by reason of such Conversion increases by the number which equals the number of Approved NOHC Ordinary Shares issued by the Approved NOHC to holders on Conversion; and

- (d) makes such other amendments as in the Issuer's reasonable opinion are necessary and appropriate to effect the substitution of an Approved NOHC as the provider of the ordinary shares on Conversion in the manner contemplated by the terms hereof, including, where the terms upon which the Approved NOHC acquires the Issuer are such that the number of Approved NOHC Ordinary Shares on issue immediately after the substitution differs from the number of Ordinary Shares on issue immediately before that substitution (not involving any cash payment or other distribution to or by the holders of any such shares), an adjustment to any relevant VWAP or Issue Date VWAP consistent with the principles of adjustment set out in Schedule A.

9A.2 The Issuer shall give a notice to the Fiscal Agent and to the holders of Securities as soon as practicable after the substitution in accordance with Section 9A.1 specifying the amendments to the terms hereof which will be made in accordance with Section 9A.1 to effect the substitution of an Approved NOHC as the issuer of ordinary shares on Conversion.

9A.3 After a substitution under Section 9A.1, the Approved NOHC may without the authority, approval or assent of the holder of Securities, effect a further substitution in accordance with Section 9A.1 (with necessary changes).

9A.4 For the purposes of this Section 9A the following terms shall have the following meanings:

“Approved NOHC” means an entity which:

- (a) is a non-operating holding company within the meaning of the Banking Act 1959 of the Commonwealth of Australia (which term, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules); and
- (b) has agreed for the benefit of holders of Securities:
- (i) to issue fully paid ordinary shares in its capital under all circumstances when the Issuer would otherwise have been required to Convert a Principal Amount of Securities, subject to the same terms and conditions as set out in the terms hereof (with all necessary modifications); and

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- (ii) to use all reasonable endeavours to procure quotation of Approved NOHC Ordinary Shares issued upon Conversion of relevant Securities on the ASX.

“**Approved NOHC Ordinary Shares**” means a fully paid ordinary share in the capital of the Approved NOHC.

“**NOHC**” means the ultimate holding company of the Issuer after a NOHC Event which must be a “non-operating holding company” within the meaning of the Banking Act 1959 of the Commonwealth of Australia.

10 Subject to Section 10.3, the Issuer shall not consolidate with or merge into any other person or convey, transfer or lease its properties and assets substantially as an entirety to any person, and the Issuer shall not permit any person to consolidate with or merge into the Issuer or convey, transfer or lease its properties and assets substantially as an entirety to the Issuer unless:

- (ii) in case the Issuer shall consolidate with or merge into another person or convey, transfer or lease its properties and assets substantially as an entirety to any person, the person formed by such consolidation or into which the Issuer is merged or the person which acquires by conveyance or transfer, or which leases, the properties and assets of the Issuer substantially as an entirety shall be a corporation, partnership or trust and shall expressly assume the due and punctual payment of the principal of and any premium and interest (including all Additional Amounts, if any, payable pursuant to Section 6 hereof) on all the Securities and the performance or observance of every covenant of this Security and the Fiscal Agency Agreement applicable to this Security on the part of the Issuer to be performed or observed; **provided, however**, if such person is not organized and validly existing under the laws of the Commonwealth of Australia or any State or Territory thereof, it must expressly agree (A) to indemnify the holder of this Security against any tax, assessment or governmental charge required to be withheld or deducted from any payment to such holder as a consequence of such merger, sale of assets or other transaction and (B) that all payments pursuant to this Security must be made without withholding or deduction for or on account of any tax of whatever nature imposed or levied on behalf of the jurisdiction of organization of such person, or any political subdivision or taxing authority thereof or therein, unless such tax is required by such jurisdiction or any such subdivision or authority to be withheld or deducted, in which case such person shall pay such additional amounts in order that the net amounts received by the holder of this Security after such withholding or deduction shall equal the amount which would have been received in respect of this Security in the absence of such withholding or deduction, subject to the same exceptions as would apply

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with respect to the payment by the Issuer of Additional Amounts in respect of this Security (substituting the jurisdiction of organization of such person for the Commonwealth of Australia), *provided, however*, that this indemnity shall not apply to 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 intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and shall not require the payment of additional amounts on account of any such withholding or deduction.

- (iii) immediately after the transaction, no Event of Default under this Security or any event that would be an Event of Default with respect to this Security if the requirements for giving the Issuer default notice and for the Issuer's default having to continue for a specific period of time were disregarded has occurred and is continuing; and
- (iv) the Issuer has delivered to the holder of this Security an Officer's Certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if applicable such amendment to the Fiscal Agency Agreement, comply with this Section 10 and that all conditions precedent herein provided for relating to such transaction have been complied with.

10.2 Upon any such consolidation or merger, or any conveyance, transfer or lease of the properties and assets of the Issuer substantially as an entirety in accordance with Section 10.1, the successor person formed by such consolidation or into which the Issuer is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Fiscal Agency Agreement and this Security with the same effect as if the successor person had been named as the Issuer therein and herein and thereafter, except in the case of a lease, the predecessor person shall be relieved of all obligations and covenants under the Securities and under the Fiscal Agency Agreement.

10.3 Nothing in section 10 shall prevent the Issuer from consolidating with or merging into any other person or conveying, transferring or leasing its properties and assets substantially as an entirety to any person, or from permitting any person to consolidate with or merge into the Issuer or to convey, transfer or lease its properties and assets substantially as an entirety to the Issuer where such consolidation, merger, transfer or lease is:

- (i) required by APRA (or any statutory manager or similar official appointed

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by it) under law and prudential regulation applicable in the Commonwealth of Australia (including without limitation the Banking Act 1959 or the Financial Sector Transfer (Business Transfer and Group Restructure) Act 1999, which terms, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules)); or

- (ii) determined by the board of directors of the Issuer or by APRA (or any statutory manager or similar official appointed by it) to be necessary in order for the Issuer to be managed in a sound and prudent manner or for the Issuer or APRA (or any statutory manager or similar official appointed by it) to resolve any financial difficulties affecting the Issuer, in each case in accordance with prudential regulation applicable in the Commonwealth of Australia.

- 11 Section 8 of the Fiscal Agency Agreement, which requires the Issuer to provide holders of Securities or, in the case of subsection (a) thereof, designated prospective purchasers of Securities with certain information is hereby incorporated *mutatis mutandis* by reference herein.
- 12 If any mutilated Security is surrendered to the Fiscal Agent, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver in exchange therefor, a new Security of like form, tenor and Principal Amount, bearing a number not contemporaneously outstanding.

If there is delivered to the Issuer and the Fiscal Agent (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of each of them harmless, then, in the absence of notice to the Issuer or the Fiscal Agent that such Security has been acquired by a bona fide purchaser, the Issuer shall execute, and upon its request the Fiscal Agent shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security a new Security of like form, tenor and Principal Amount and bearing a number not contemporaneously outstanding.

Upon the issuance of any new Security under this Section 12, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other reasonable expenses (including the fees and the expenses of the Fiscal Agent) connected therewith.

If any Security which has matured or has been redeemed or repaid or is about to mature or to be redeemed or repaid shall become mutilated, destroyed, lost or stolen, the Issuer may, instead of issuing a substitute Security, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Security) upon compliance by the holder with the provisions of this paragraph.

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Every new Security issued pursuant to this Section 12 in lieu of any mutilated, destroyed, lost or stolen Security, shall constitute an original additional contractual obligation of the Issuer, whether or not the mutilated, destroyed, lost or stolen Security shall be at any time enforceable by anyone.

Any new Security delivered pursuant to this Section 12 shall be so dated that neither gain nor loss in interest shall result from such exchange.

The provisions of this Section 12 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

13 Section 12 of the Fiscal Agency Agreement, which Section is hereby incorporated mutatis mutandis by reference herein, provides that, with certain exceptions as therein provided and with the consent of the holders of 50% of the Principal Amount of the Outstanding Securities of this series present at a meeting duly called pursuant thereto or by written consent of such percentage of the Principal Amount of all Outstanding Securities, the Issuer and the Fiscal Agent may modify, amend or supplement the terms of the Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement, in any way, or may give consents or waivers or take other actions with respect thereto, and the holders of Securities of this series may make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Fiscal Agency Agreement or the terms of the Securities of this series to be made, given or taken by holders of Securities of this series provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4). Any such modification, amendment, supplement, consent, waiver or other action shall be conclusive and binding on the holder of this Security and on all future holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange heretofore or in lieu hereof, whether or not notation thereof is made upon this Security. The Fiscal Agency Agreement and the terms of the Securities may be modified or amended by the Issuer and the Fiscal Agent, without the consent of any holders of Securities, for the purpose of (i) adding to the covenants of the Issuer for the benefit of the holders of Securities, (ii) surrendering any right or power conferred upon the Issuer, (iii) securing the Securities pursuant to the requirements of the Securities or otherwise, (iv) evidencing the succession of another corporation to the Issuer and the assumption by any such successor of the covenants and obligations of the Issuer in the Securities or in the Fiscal Agency Agreement pursuant to Section 9 hereof, (v) curing any ambiguity or correcting or supplementing any defective provision contained in the Securities or in the Fiscal

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Agency Agreement, (vi) is made in accordance with the Issuer's adjustment rights in Schedule A or (vii) any other purpose which the Issuer and the Fiscal Agent may determine that is not inconsistent with the terms of the Securities and does not adversely affect the interest of any holder of Securities, to all of which each holder of any Security, by acceptance thereof, consents provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4).

- 14 Each holder of this Security or an interest therein, by acceptance of this Security or such interest in this Security, agrees to provide the Fiscal Agent with the Noteholder Tax Identification Information and Noteholder FATCA Information (as defined below). If the Fiscal Agent determines that the holder of this Security or beneficial interest therein has failed to provide such information, the Issuer shall at its sole option, pursuant to this Section 14, amend the terms of this Security or of the Fiscal Agency Agreement to enable the Issuer to achieve FATCA Compliance (as defined below) provided that, in the case of a series of Subordinated Securities, the prior written approval of APRA is required to modify, amend or supplement the terms of Securities of this series or, insofar as respects the Securities of this series, the Fiscal Agency Agreement or to give consents or waivers or take other actions where such modification, amendment, supplement, consent, waiver or other action described above may affect the eligibility of the Security as Tier 2 Capital (as defined in Section 8A.4). In addition, the holder of this Security, by acceptance of this Security, understands and acknowledges that the Fiscal Agent has the right, under this Section 14 and the Fiscal Agency Agreement, to withhold interest payable with respect to this Security (without any corresponding gross-up) on any beneficial owner of an interest in this Security who fails to comply with the foregoing requirements.

“Noteholder FATCA Information” means information sufficient to eliminate the imposition of U.S. withholding tax under FATCA.

“Noteholder Tax Identification Information” means properly completed and signed tax certifications (generally, in the case of U.S. Federal Income Tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a “United States Person” within the meaning of Section 7701(a)(30) of the Code or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a “United States Person” within the meaning of Section 7701(a)(30) of the Code).

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“FATCA Compliance” means the requirement that foreign financial institutions, including any foreign subsidiaries of U.S.-based organizations, take all appropriate steps to comply with FATCA, including but not limited to:

- (a) entering into an Foreign Financial Institution Agreement with the United States Internal Revenue Service (“**IRS**”) which states an intent to comply with FATCA;
- (b) implementing adequate due diligence procedures on new and existing accounts to classify account holders or investors as U.S. or non-U.S.;
- (c) withholding 30% in U.S. taxes when individuals fail to provide appropriate documentation or when undertaking business with non-FATCA compliant entities; and
- (d) reporting account information directly to the IRS or indirectly through the relevant national government in the applicable country.

15 No reference herein to the Fiscal Agency Agreement and no provision of this Security or of the Fiscal Agency Agreement shall alter or impair the obligation of the Issuer, which, except in so far as the Security is subordinated and liable to be converted or written-off as provided herein, is absolute and unconditional, to pay the principal of (and premium, if any) and interest (including any Additional Amounts payable pursuant to Section 6) on this Security at the times, places and rates, and in the coin or currency, herein prescribed.

16 **This Security shall be governed by, and construed in accordance with, the laws of the State of New York without regard to those principles of conflicts of laws that would require the application of the laws of a jurisdiction other than the State of New York, except that the provisions of Section 7, Sections 8A.1 to 8A.4 (inclusive), Sections 9A.1 to 9A.4 (inclusive), Schedule A and all matters relating to the authorization and execution by the Issuer shall be governed by the laws of the State of Victoria and the Commonwealth of Australia.**

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SCHEDULE OF CONVERSION MECHANICS

1 CONVERSION

If the Issuer must Convert the Principal Amount of a Security in accordance with the terms hereof, then, subject to this Schedule A and Section 9A.1, the following provisions apply:

- (a) the Issuer will allot and issue on the Trigger Event Date a number of Ordinary Shares in respect of the Principal Amount of that Security equal to the Conversion Number, where the Conversion Number (but subject to the Conversion Number being no more than the Maximum Conversion Number) is a number calculated according to the following formula:

$$\text{Conversion Number} = \frac{\text{Principal Amount}}{(99\% \times \text{VWAP})}$$

where:

“**VWAP**” (expressed in dollars and cents) means the VWAP during the VWAP Period and where the “**Maximum Conversion Number**” means a number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{\text{Principal Amount}}{\text{Issue Date VWAP} \times 0.2}$$

- (b) the rights of each holder of a Security (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date) in relation to each Security that is being Converted will be immediately and irrevocably terminated for an amount equal to the Principal Amount of that Security and the Issuer will apply that Principal Amount by way of payment for subscription for the Ordinary Shares to be allotted and issued under Section 1(a) of this Schedule A. Each holder of the Security is taken to have irrevocably directed that any amount payable under Section 1 of this Schedule A is to be applied as provided for in Section 1 of this Schedule A and no holder of the Security has any right to payment in any other way;
- (c) any calculation under Section 1(a) of this Schedule A shall be, unless the context requires otherwise, be rounded to four decimal places provided that if the total number of additional Ordinary Shares to be allotted to a holder of the Security in respect of the aggregate Principal Amount of the

(Reverse of Security continued on next page)

Securities it holds which is being Converted includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded; and

- (d) the rights attaching to Ordinary Shares issued as a result of Conversion do not take effect until 5.00pm (Melbourne, Australia time) on the Trigger Event Date. At that time all other rights conferred or restrictions imposed on that Security under the terms hereof will no longer have effect (except for the right to receive the Ordinary Shares as set forth in this Section 1 and Section 8A.2 and except for rights relating to interest which is payable but has not been paid on or before the Trigger Event Date which will continue).

2 ADJUSTMENTS TO VWAP

For the purposes of calculating VWAP in the terms hereof:

- (a) where, on some or all of the Business Days in the relevant VWAP Period, Ordinary Shares have been quoted on the ASX as cum dividend or cum any other distribution or entitlement and the Securities will Convert into Ordinary Shares after the date those Ordinary Shares no longer carry that dividend or any other distribution or entitlement, then the VWAP on the Business Days on which those Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement shall be reduced by an amount (“*Cum Value*”) equal to:
 - (i) (in case of a dividend or other distribution), the amount of that dividend or other distribution including, if the dividend or other distribution is franked, the amount that would be included in the assessable income of a recipient of the dividend or other distribution who is both a resident of Australia and a natural person under the Tax Act;
 - (ii) (in the case of any other entitlement that is not a dividend or other distribution under Section 2(a)(i) of this Schedule A which is traded on the ASX on any of those Business Days), the volume weighted average sale price of all such entitlements sold on the ASX during the VWAP Period on the Business Days on which those entitlements were traded; or
 - (iii) (in the case of any other entitlement which is not traded on the ASX during the VWAP Period), the value of the entitlement as reasonably determined by the directors of the Issuer; and
- (b) where, on some or all of the Business Days in the VWAP Period, Ordinary Shares have been quoted on the ASX as ex dividend or ex any
(Reverse of Security continued on next page)

other distribution or entitlement, and the Securities will Convert into Ordinary Shares which would be entitled to receive the relevant dividend or other distribution or entitlement, the VWAP on the Business Days on which those Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement shall be increased by the Cum Value.

3 ADJUSTMENTS TO VWAP FOR DIVISIONS AND SIMILAR TRANSACTIONS

- (a) Where during the relevant VWAP Period there is a change in the number of the Ordinary Shares on issue as a result of a division, consolidation or reclassification of the Issuer's share capital (not involving any cash payment or other distribution to or by holders of Ordinary Shares) (a "**Reorganisation**"), in calculating the VWAP for that VWAP Period the daily VWAP applicable on each day in the relevant VWAP Period which falls before the date on which trading in Ordinary Shares is conducted on a post Reorganisation basis shall be adjusted by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with Section 3(a) of this Schedule A will, absent manifest error, be effective and binding on holders of the Securities under these terms and these terms will be construed accordingly. Any such adjustment must be promptly notified to all holders of the Securities.

4 ADJUSTMENTS TO ISSUE DATE VWAP

For the purposes of determining the Issue Date VWAP, corresponding adjustments to VWAP will be made in accordance with Section 2 and Section 3 of this Schedule A during the 20 Business Day period over which VWAP is calculated for the purposes of determining the Issue Date VWAP. On and from the Issue Date adjustments to the Issue Date VWAP:

- (a) may be made in accordance with Sections 5 to 7 of this Schedule A (inclusive); and

(Reverse of Security continued on next page)

- (b) if so made, will cause an adjustment to the Maximum Conversion Number.

5 ADJUSTMENTS TO ISSUE DATE VWAP FOR BONUS ISSUES

- (a) Subject to Section 5(b) of this Schedule A below, if at any time after the Issue Date the Issuer makes a pro rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$V = V_o \times \frac{RD}{RD + RN}$$

where:

V means the Issue Date VWAP applying immediately after the application of this formula;

V_o means the Issue Date VWAP applying immediately prior to the application of this formula;

RN means the number of Ordinary Shares issued pursuant to the bonus issue; and

RD means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue.

- (b) Section 5(a) of this Schedule A does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.
- (c) For the purpose of Section 5(a) of this Schedule A, an issue will be regarded as a pro rata issue notwithstanding that the Issuer does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia, provided that in so doing the Issuer is not in contravention of the ASX Listing Rules.
- (d) No adjustments to the Issue Date VWAP will be made under this Section 5 of this Schedule A for any offer of Ordinary Shares not covered by Section 5(a) of this Schedule A, including a rights issue or other essentially pro rata issue.
- (e) The fact that no adjustment is made for an issue of Ordinary Shares except as covered by Section 5(a) of this Schedule A shall not in any way restrict the Issuer from issuing Ordinary Shares at any time on such terms

(Reverse of Security continued on next page)

as it sees fit nor require any consent or concurrence of any holders of the Security.

6 ADJUSTMENT TO ISSUE DATE VWAP FOR DIVISIONS AND SIMILAR TRANSACTIONS

- (a) If at any time after the Issue Date, a Reorganisation occurs, the Issuer shall adjust the Issue Date VWAP by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reorganisation by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with Section 6(a) of this Schedule A will, absent manifest error, be effective and binding on holders of Securities under these terms and these terms will be construed accordingly.
- (c) Each holder of a Security acknowledges that the Issuer may, consolidate, divide or reclassify securities so that there is a lesser or greater number of Ordinary Shares at any time in its absolute discretion without any such action requiring any consent or concurrence of any holders of Securities.

7 NO ADJUSTMENT TO ISSUE DATE VWAP IN CERTAIN CIRCUMSTANCES

Despite the provisions of Section 5 and Section 6 of this Schedule A, no adjustment shall be made to the Issue Date VWAP where such adjustment (rounded if applicable) would be less than one percent of the Issue Date VWAP then in effect.

8 ANNOUNCEMENT OF ADJUSTMENT TO ISSUE DATE VWAP

The Issuer will notify the holder of Securities (an “*Adjustment Notice*”) of any adjustment to the Issue Date VWAP under this Schedule A within 10 Business Days of the Issuer determining the adjustment and the adjustment set out in the announcement will be final and binding.

(Reverse of Security continued on next page)

9 ORDINARY SHARES

Each Ordinary Share issued or arising upon Conversion ranks pari passu with all other fully paid Ordinary Shares. The Holders of Subordinated Notes agree not to trade Ordinary Shares issued on Conversion (except as permitted by the Corporations Act, other applicable laws and the ASX Listing Rules) until ANZ has taken such steps as are required by the Corporations Act, other applicable laws and the ASX Listing Rules for the Ordinary Shares to be freely tradeable without such further disclosure or other action and agree to allow ANZ to impose a holding lock or to refuse to register a transfer in respect of Ordinary Shares until such time.

10 LISTING ORDINARY SHARES ISSUED ON CONVERSION

The Issuer shall use all reasonable endeavours to list the Ordinary Shares issued upon Conversion of the Securities on the ASX.

11 DEFINITIONS

For the purposes of this Schedule A the following terms shall have the following meanings:

“ASX Operating Rules” means the market operating rules of the ASX as amended, varied or waived (whether in respect of the Issuer or generally) from time to time.

“ASX” means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires, or any successor.

“Issue Date VWAP” means the VWAP during the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the first date on which any Securities were issued, as adjusted in accordance with Sections 5 to 7 (inclusive) of this Schedule A.

“Tax Act” means:

- (i) the Income Tax Assessment Act 1936 of the Commonwealth Australia or the Income Tax Assessment Act 1997 of Australia as the case may be and a reference to any Section of the Income Tax Assessment Act 1936 of the Commonwealth of Australia includes a reference to that Section as rewritten in the Income Tax Assessment Act 1997 of the Commonwealth of Australia; and
- (ii) any other Act setting the rate of income tax payable and any regulation promulgated under it.

(Reverse of Security continued on next page)

“**VWAP**” means, subject to any adjustments under this Schedule A, the average of the daily volume weighted average sale prices (such average being rounded to the nearest full cent) of Ordinary Shares sold on the ASX during the VWAP Period or on the relevant days (and, where the Specified Currency of the Principal Amount in respect of the relevant Security is not Australian dollars, with each such daily price converted into the Specified Currency on the basis of the spot rate for the sale of the Australian dollar against the purchase of such Specified Currency in the New York foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation) but does not include any “Crossing” transacted outside the “Open Session State” or any “Special Crossing” transacted at any time, each as defined in the ASX Operating Rules, or any overseas trades or trades pursuant to the exercise of options over Ordinary Shares;

“**VWAP Period**” means the period of 5 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Trigger Event Date.

(Reverse of Security continued on next page)

PRICING SUPPLEMENT

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED
(As Issuer)****US\$800,000,000****FIXED RATE SUBORDINATED NOTES DUE 2024
(SUBJECT TO CONVERSION)**

March 12, 2014

This Pricing Supplement relates to the US\$800,000,000 Fixed Rate Subordinated Notes Due 2024, Subject to Conversion (the “Subordinated Notes”) of Australia and New Zealand Banking Group Limited (“ANZ”), which are described below and also generally in the US\$25,000,000,000 Medium-Term Note Offering Memorandum dated November 15, 2013, as amended and supplemented by this Pricing Supplement (the “Offering Memorandum”). This Pricing Supplement amends the Offering Memorandum in the manner specified in **Annex A**. This Pricing Supplement contains the final terms of the offering of the Subordinated Notes. This Pricing Supplement must be read in conjunction with the Offering Memorandum.

This Pricing Supplement relating to the offering of the Subordinated Notes is subject to, and is qualified in its entirety by reference to, all of the provisions included in the Amended and Restated Fiscal Agency Agreement dated as of March 11, 2014 and the Form of Fixed Rate Subordinated Note, copies of which have been made available to you by ANZ. You should read each of the foregoing documents in conjunction with this Pricing Supplement for a complete understanding of the terms of the Subordinated Notes.

All capitalized terms used in this Pricing Supplement and not otherwise defined herein shall have the meanings assigned to them in the Offering Memorandum.

The Subordinated Notes are novel and complex financial instruments and may not be a suitable investment for all investors

Investing in the Subordinated Notes will involve certain risks, and you must determine the suitability of such investment in light of its own circumstances. You should carefully review the

section entitled “Risk Factors Relating to the Notes” in the Offering Memorandum, and, in particular, should review pages 11 – 16 of the Offering Memorandum, which discuss specific risks relating to the Subordinated Notes. In addition, you should review the risk factor supplementing the Offering Memorandum entitled “If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes” set out in Annex A of this Pricing Supplement.

The Subordinated Notes are subject to mandatory conversion in the event of the non-viability of ANZ

The Subordinated Notes are subject to mandatory Conversion into Ordinary Shares of ANZ if a Non-Viability Trigger Event occurs. A Non-Viability Trigger Event occurs when APRA has provided a written determination to ANZ that the Conversion or Write-Off of certain securities of ANZ is necessary because without either such Conversion or Write-Off or a public sector injection of capital, ANZ would become non-viable.

If a Non-Viability Trigger Event occurs, on the date APRA notifies ANZ of such event (whether or not a Business Day) (such date, the “Trigger Event Date”), ANZ will be required to Convert some or all of the nominal amount of the Subordinated Notes into Ordinary Shares, or if ANZ is prevented by applicable law, court order or any other reason from Converting the Subordinated Notes within five business days after the Trigger Event Date, ANZ will be required to write off some or all of the nominal amount of the Subordinated Notes and immediately and irrevocably terminate the rights of the holders of such Subordinated Notes.

No right to principal or interest following Trigger Event Date

On the Trigger Event Date, in respect of the principal amount of any Subordinated Note which is to be Converted, the sole right of the holder of such Subordinated Note in respect of that principal amount will be its right to be issued Ordinary Shares upon Conversion, *provided, however*, that where on the Trigger Event Date an Inability Event exists, and Conversion of the principal amount of the Subordinated Notes that are subject to Conversion has not been effected within five Business Days after the relevant Trigger Event Date, (A) to the extent such event prevents the Issuer from Converting the principal amount of Securities which would otherwise be Converted, the principal amount of those Subordinated Notes will not be Converted and instead will be Written-Off on the expiry of the fifth Business Day after the Trigger Event Date and (B) the Issuer shall notify the Fiscal Agent and the holders of the Notes that an Inability Event has impeded Conversion as promptly as practically possible. “Expiry of the fifth Business Day” means 11:59 p.m., Sydney time on the fifth Business Day.

Deemed acknowledgement, agreement and consent

By its acquisition of the Subordinated Notes, each holder of Subordinated Notes shall be deemed to have (i) consented to the Conversion or Write-off of its Subordinated Notes in accordance with the terms of the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” and acknowledged that such Conversion or Write-off of its Subordinated Notes (including any beneficial interest therein) following a Non-Viability Trigger Event may occur without any action on such holder’s part and (ii) authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Subordinated Notes to take any and all necessary action, if required, to effectuate the

Conversion or Write-off of the Subordinated Notes without any further action or direction on the part of such holder.

Additional Operational Procedures Relating to the Subordinated Notes

The below operational procedures supplement the terms and conditions of the Subordinated Notes as described in the section of the Offering Memorandum entitled “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

Promptly following the receipt of the Trigger Event Notice by DTC (the “Trigger Event Notice Receipt Date”), DTC will suspend all clearance and settlement of the Subordinated Notes that are specified by the Trigger Event Notice to be Subordinated Notes that have been Converted or Written Off (“Relevant Subordinated Notes”), with such suspension commencing no later than the close of the next day following the Trigger Event Notice Receipt Date that is a business day in New York City (the date of such suspension, the “Suspension Date”). Promptly following its receipt of the Trigger Event Notice, DTC will, pursuant to its procedures currently in effect, post the Trigger Event Notice to its Reorganization Inquiry for Participants System.

The Trigger Event Notice shall request that holders of Relevant Subordinated Notes provide to ANZ a notice (a “Conversion Shares Settlement Notice”), containing the information specified in subsection (b) of the Section “Description of the Notes— Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ—Conversion Option” in the Offering Memorandum. The Conversion Shares Settlement Notice must be given in accordance with the standard procedures of DTC (which may include the notice being given to ANZ by electronic means) and in a form acceptable to DTC and ANZ. In order to obtain delivery of Ordinary Shares in respect of Relevant Subordinated Notes, a holder of Relevant Subordinated Notes must deliver its Conversion Shares Settlement Notice on or before the date that is 30 days after the Trigger Event Date (the “Notice Cut-off Date”).

Transfers of Subordinated Notes that are initiated prior to the Suspension Date and are scheduled to settled within DTC afterwards may be rejected by DTC and may not settle within DTC

Holders of Relevant Subordinated Notes will not be able to settle the transfer of any Relevant Subordinated Notes from the Suspension Date, and any sale or transfer of the Relevant Subordinated Notes that a holder of Relevant Subordinated Notes may have initiated prior to the Suspension Date that is scheduled to settle after the Suspension Date will be rejected by DTC and will not be settled within DTC.

Final Terms of the Subordinated Notes

Deal Reference MTN:	61
Issuer:	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
Principal Amount and Specified Currency:	US\$800,000,000
Option to receive payment in Specified Currency:	Not Applicable

Type of Note:	Rule 144A Global Note and Regulation S Global Note
Status of Note:	Subordinated Note
Term:	10 years
Issue Date:	March 19, 2014
Trade Date:	March 12, 2014
Stated Maturity:	March 19, 2024
Redemption:	At option of the Issuer at any time on or after a Regulatory Event Any early redemption will be subject to the prior written approval of APRA.
Repayment:	No repayment at the option of the holders prior to Stated Maturity Any early repayment will be subject to the prior written approval of APRA.
Conversion Option:	Conversion with a Fall back to Write-off (Option 1: Section 8A.2 of the Subordinated Notes applies)
Fixed Rate Notes:	Applicable
Interest Rate:	4.500% per annum
Interest Rate Frequency:	Semi-annually
Regular Record Date(s):	15 calendar days preceding applicable Interest Payment Date whether or not a "business" day
Interest Payment Dates:	On March 19 and September 19 of each year, commencing on September 19, 2014 and ending on the Stated Maturity Date
Floating Rate Notes:	Not Applicable
LIBOR Notes:	Not Applicable
CMT Rate Notes:	Not Applicable
Floating Rate/Fixed Rate Security:	Not Applicable
Fixed Rate/Floating Rate Security:	Not Applicable
Inverse Floating Rate Security:	Not Applicable

Zero Coupon Notes:	Not Applicable
Indexed Notes/other variable-linked interest note provisions:	Not Applicable
Amortizing Notes:	Not Applicable
Redemption:	At option of the Issuer at any time on or after a Regulatory Event Any early redemption will be subject to the prior written approval of APRA. Any redemption of the Subordinated Notes will be pursuant to the terms of the Subordinated Notes pertaining to redemption, as described in the sections of the Offering Memorandum entitled “Description of the Notes—Redemption or Repurchase of Subordinated Notes” and “Description of the Notes—Redemption of Subordinated Notes for Regulatory Event”.
Redemption Commencement Date:	Not Applicable
Redemption Price(s):	Par
Redemption Period(s):	Not Applicable
General Provisions:	
Business Day Convention:	Following Business Day Convention
Business Days:	London, New York, Sydney
Alternative Day Count Fraction:	30/360, unadjusted
Issue Price (Price to public):	99.864%
Proceeds to Issuer (US\$)	US798,912,000 (before certain costs, fees and expenses)
Offering Agents:	ANZ Securities, Inc. Citigroup Global Markets Inc. Goldman, Sachs & Co. UBS Securities LLC
Agents acting in capacity of:	Principal
Paying Agent:	The Bank of New York Mellon
Calculation Agent:	The Bank of New York Mellon, London branch
Exchange Rate Agent:	Not Applicable

Additional Paying Agent:	Not Applicable
Redenomination, renominatisation and reconventioning provisions:	Not Applicable
Listing:	Not Applicable
Admission to trading:	Not Applicable
Denominations:	Minimum denomination of US\$200,000, and any integral multiple of US\$1,000 thereafter
Covenant Defeasance:	Not Applicable
CUSIP:	052528AH9 - Rule 144A Q0426RNB0 - Reg. S
ISIN:	US052528AH96 - Rule 144A USQ0426RNB07 - Reg. S
Additional Selling Restrictions:	See Offering Memorandum and Canadian wrapper
Stabilizing Manager:	Not Applicable
Exchange Rate:	Not Applicable
Depository (if other than DTC):	Not Applicable
Subordinated Notes Ratings*:	S & P: BBB+ Moody's: A3 Fitch: A+
Other terms:	See Annex A

Signed on behalf of the Issuer

By: _____

* A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the ratings agency at any time.

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 and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and any who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

Annex A

Amendments to Offering Memorandum

The disclosure in the Offering Memorandum is amended as set out below:

- 1 The following paragraph is added into the section “Description of the Notes - How the Notes rank against other debt” after the third paragraph beneath that heading:

Further, the Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 2 The following paragraph is added into the section “Description of the Notes - Status and Subordination of Subordinated Notes” after the first paragraph beneath that heading:

The Subordinated Notes will be mandatorily converted into Ordinary Shares or written off (as specified in the relevant Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZ would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZ would become non-viable, as further described under “Description of the Notes—Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ”.

- 3 In the section “Description of the Notes - Redemption or repurchase of Subordinated Notes”, the definition of “Regulatory Capital” is replaced with the following:

“Regulatory Capital” means a Tier 1 Capital Security (which means a share, note or other security or instrument constituting Tier 1 Capital) or a Tier 2 Capital Security (which means a note or other security or instrument constituting Tier 2 Capital).

- 4 In the section “Description of the Notes - Redemption of Subordinated Notes for Regulatory Event”, the definition of “Tier 2 Capital” is deleted.

5 In the section “Description of the Notes – Certain Defined Terms”, after the definition of Tier 1 Capital:

(a) the definition of “Trigger Event Date” is replaced with the following:

“Trigger Event Date” shall mean the date (whether or not a Business Day) on which APRA notifies ANZ of a Non-Viability Trigger Event as contemplated under “Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ” above.

(b) the following definition of “Tier 2 Capital” is inserted:

“Tier 2 Capital” shall mean Tier 2 capital of ANZ (on a Level 1 basis) or the ANZ Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

6 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Conversion Option”:

- in section (e), the phrase “6th Business Day” is replaced with “expiry of the fifth Business Day”;
- in section (g)(ii), “sixth Business Day” is replaced with “expiry of the fifth Business Day”, and “(including to any right to receive any payment thereunder)” is replaced with “(including to any right to receive any payment thereunder, including interest both future and as accrued but unpaid as at the Trigger Event Date)”.

7 In the section “Description of the Notes – Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ - Write-Off Option”:

- in section (a)(i), the phrase “such Principal Amount of the Subordinated Notes shall be Written-Off as is sufficient” is replaced with “such Principal Amount of the Subordinated Notes shall be immediately Written-Off as is sufficient”; and
- in section (f), the phrase “(including to any right to receive any payment thereunder)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.

- 8 In the section “Description of the Notes - Conversion or Write-off of Subordinated Notes on Non-Viability of ANZ – Conversion Mechanics”:
- in section (b), the phrase “(including to payment of interest)” is replaced with “(including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date)”.
- 9 In the section “Description of the Notes – Defeasance of Senior Notes”, the second paragraph is replaced with the following: “Full defeasance or covenant defeasance is not available to Holders of Subordinated Notes.”
- 10 The following is added to the end of the section entitled “Description of the Notes – Mergers and similar transactions”:

Notwithstanding the above, we are not prevented from consolidating with or merging into any other person or conveying, transferring or leasing our properties and assets substantially as an entirety to any person, or from permitting any person to consolidate with or merge into us or to convey, transfer or lease its properties and assets substantially as an entirety to us where such consolidation, merger, transfer or lease is:

- required by APRA (or any statutory manager or similar official appointed by it) under law and prudential regulation applicable in the Commonwealth of Australia (including without limitation the Banking Act 1959 or the Financial Sector Transfer (Business Transfer and Group Restructure) Act 1999, which terms, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules)); or
- determined by our directors or by APRA (or any statutory manager or similar official appointed by it) to be necessary in order for the Issuer to be managed in a sound and prudent manner or for the Issuer or APRA (or any statutory manager or similar official appointed by it) to resolve any financial difficulties affecting the Issuer, in each case in accordance with prudential regulation applicable in the Commonwealth of Australia.

- 11 The following is added to the end of the section entitled “Risk Factors Relating to the Notes”:

If, under certain circumstances, we are merged or consolidated into another entity, or substantially all of our assets are sold to another entity, such entity need not assume the obligations under the Notes

We are permitted to consolidate or merge with another company or other entity or to sell substantially all of our assets to another company or entity where required to do so by APRA (or a statutory manager or a similar official) under applicable law or prudential regulation in Australia or where determined by our directors or by APRA (or a statutory manager or a similar official) to be necessary in order for us to be managed in a sound or prudent manner or for us or APRA (or a statutory manager or a similar official) to resolve any financial difficulties affecting us. In either case, such entity need not assume the obligations under the Notes, and Holders of the Notes may have no recourse to such entity and no grounds to require repayment of the principal amount of the Notes on account of that consolidation or merger. In particular, such a transaction may be effected in certain circumstances by the Australian Prudential Regulation Authority under the Financial Sector (Business Transfer and Group Restructure) Act 1999, pursuant to which some or all of our assets or liabilities may be transferred to another authorized deposit taking institution. Such a merger, consolidation, or asset sale, whether or not effected by the Australian Prudential Regulation Authority, may adversely affect the value of the Notes and the likelihood of us making payment to holders of any amount due under their Notes.