



REFERENCE ASSET LINKED INVESTMENT (RALI)

Information Memorandum

IMPORTANT INFORMATION

This document is an Information Memorandum ("IM").

Please make sure you read this IM in full together with the term sheet issued in relation to a Series of RALI before deciding whether to invest.

This IM dated 1 November, 2011 is issued by Australia and New Zealand Banking Group Limited ABN 11 005 357 522 AFSL 234527 ("ANZ" or the "Issuer") and relates to the offer to wholesale clients as defined in section 761G of the Corporations Act ("Wholesale Client") of each Series of Reference Asset Linked Investment ("RALI").

A RALI is a right to receive the Delivery Parcel and certain related rights under a deferred purchase agreement described in the IM and is issued on the Terms set out in section 9 of this IM.

SERIES TERMS

This IM sets out the general terms and conditions in relation to each Series of RALI. Additional terms and conditions that apply to a particular Series will be contained in and set out in the term sheet issued in relation to that Series ("Term Sheet"). These additional terms include, but are not limited to, the overall trade structure, return profile including method of calculating Maturity Value, Reference Asset and Investment Term. The terms contained in a Series Term Sheet may supplement, update, amend or replace any provisions of this IM. The Term Sheet should be read together with this IM, which is not a stand alone document.

The Term Sheet for the Series offered from time to time will accompany this IM. If it does not, please contact:

ANZ Equities
Phone: 1800 204 693
Website: www.anz.com/markets/equities
Email: equitysolutions@anz.com

APPLICATIONS

If you wish to apply for a Series of RALI, you must complete the Term Sheet Application Form (attached to or accompanying the Term Sheet for the Series you are applying for) and when you make your first application you must also complete the IM Application Form (attached to or accompanying this IM). These completed application forms must be returned to ANZ.

COMPLEX PRODUCT

Deferred purchase agreements are complex financial products. You shouldn't invest in RALI if you don't fully understand the investment,

this IM and the Term Sheet relevant to the Series in which you intend to invest.

INVESTMENT RISK

An investment in RALI is subject to investment risk, including possible delays in repayment and loss of income and principal invested. The value of your investment can fluctuate up or down with the value of the Reference Asset. The returns of the RALI are dependent on factors specific to the Series in which you invest. These factors commonly include; the performance of the Reference Asset, the Participation Rate for your RALI and whether you hold your investment to the relevant Maturity Date.

DISCLAIMER

ANZ is an authorised deposit-taking institution for the purposes of the Banking Act (Cth) 1959. However, a RALI does not represent a deposit or other liability of ANZ. An investment in RALI is a contract between you, the investor, and ANZ on the terms set out in this IM and the Term Sheet relevant to that Series. ANZ does not in any way stand behind the capital value and/or performance of the interests issued, or assets held by ANZ, except, in relation to a Capital Protection Amount (if applicable to a Series).

INVESTMENT DECISIONS

You should read the entire IM and the Term Sheet for the relevant Series before making any decision to invest in that Series. This IM and the Term Sheet for the relevant Series do not take into account your individual objectives, financial situation or needs. Therefore, before acting on information in this IM and the Term Sheet for the relevant Series, you should consider the IM and Term Sheet in their entirety and consider whether the information is appropriate in light of your objectives, financial situation and needs, and seek professional advice from an investment adviser before deciding whether to invest.

This IM does not purport to contain all the information that you may require in evaluating a possible investment in RALI nor does it contain all the information which would be required in a product disclosure statement prepared in accordance with the requirements of the Corporations Act. You should conduct an independent review and analysis of RALI and of the information contained in or referred to in this IM.

This IM is current as at 1 November, 2011. ANZ is not responsible for providing you with updated information.

Important Information continued on Inside Back Cover

RALI is a highly flexible product that offers you exposure to a wide range of global financial markets and investment strategies. RALI is available on themes selected by ANZ and may be tailored to terms that suit you.

RALI includes the following key features:

- > Simple and efficient access to global financial markets
- > Available over a range of asset classes such as equities, currencies, commodities and fixed interest
- > Up to 100% capital protection available (depending on the Series and subject to the conditions set out in the Term Sheet for the Series)
- > Potential to benefit from directional views of the market
- > Potential for capital growth and/or income (or a combination)
- > Investment may qualify for CGT discount at maturity

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SECTION 1

OVERVIEW OF RALI

WHAT IS THE OFFER?

RALI offers exposure to global financial markets and a range of asset classes such as equities, currencies, fixed interest and commodities through different Series. Certain Series may also offer up to 100% capital protection, subject to the capital protection conditions set out in the Term Sheet for the Series.

The investment objectives for each Series are to deliver a return at the Maturity Date that is linked to the performance of the Reference Asset over the Investment Term, to aim to generate capital growth, or to provide income in the form of Coupon payments (or a combination thereof).

Terms and conditions specific to a Series, including in relation to any capital protection offered for a Series, are contained in the Term Sheet relevant to that Series.

If you wish to apply for a Series of RALI, you must complete the Term Sheet Application Form (attached to or accompanying the Term Sheet for the Series you are applying for) and, when you make your first application, you must also complete the IM Application Form (attached to or accompanying this IM). These completed application forms must be returned to ANZ.

Before making an investment in a Series, you should read and consider both the Term Sheet for that Series and this IM, as together they set out all the terms of the investment.

WHAT ARE THE SOME OF THE FEATURES OF THE OFFER?

The specific features of each investment vary from Series to Series but may offer a combination of the following:

- > Exposure to the Reference Asset (which may provide diversified exposure to various markets and asset classes)
- > Potential for capital growth
- > Income potential
- > An Investment Term of up to 10 years
- > Up to 100% capital protection (where applicable and subject to the conditions set out in the Term Sheet for the Series)
- > Early callability

- > Dividend and other ownership rights attaching to the Delivery Assets held after the Settlement Date

WHO DOES RALI SUIT?

Generally, this investment may suit individuals, companies, trusts and superannuation funds looking to:

- > Diversify their investment portfolio by gaining exposure to the Reference Asset
- > Gain exposure without the complexity of direct investments in the various assets or markets by making one investment with ANZ
- > Obtain cash flow advantages from the receipt of Coupon payments (if applicable to the Series)
- > Have their capital protected to an agreed level (if applicable to the Series and subject to the conditions set out in Term Sheet)
- > Engage in a set and hold investment strategy

WHAT ARE THE RISKS OF RALI?

You should carefully consider the risks relating to an investment in RALI before making an investment decision. A summary of the risks in relation to the RALI is available in section 5 of this IM and any additional risks in relation to a Series will be summarised in the Term Sheet for the Series.

An investment in RALI is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

Where capital protection is offered for a Series, the level of the capital protection (and any conditions relating to it) will be set out in the Term Sheet for that Series. You should understand that the capital protection may be less than 100% and that this capital protection is subject to the counterparty and credit risks and, in certain circumstances, early maturity risks, summarised in section 5 of the IM. A Series may have no capital protection and you could lose some or all of your investment.

SECTION 2

INVESTMENT SUMMARY

CONCEPT	CONCEPT DESCRIPTION	REFERENCE
Issuer	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)	IM, Section 08
The Investment	<p>RALI is a deferred purchase agreement where the investor agrees to purchase a number of Delivery Assets from ANZ upon the maturity of the investment. The number of Delivery Assets delivered will depend on the Maturity Value.</p> <p>RALI offers exposure to the Reference Asset specified for each Series.</p> <p>Certain RALI Series also offer capital protection up to 100% of the Issue Price, subject to the capital protection conditions set out in the Term Sheet for the Series.</p>	IM, Section 03 Term Sheet
Reference Asset	<p>The Reference Asset may be an index, a commodity, a currency exchange rate, a security (or portfolio of securities), a reference rate, a fund, another asset, or a combination thereof.</p> <p>The performance of the Reference Asset, when combined with the specific features of a Series, determines the RALI's return at maturity.</p>	IM, Section 03 Term Sheet
Delivery Assets	The Delivery Assets which you acquire on a deferred basis under the RALI and which will be delivered at the maturity of the RALI are identified separately for each Series in the Term Sheet for that Series.	IM, Section 04 Term Sheet
Delivery Parcel	<p>The Delivery Parcel is the number of Delivery Assets to be delivered at the maturity of the RALI investment.</p> <p>The number of Delivery Assets comprising your Delivery Parcel is determined by reference to the Maturity Value.</p>	IM, Section 04
Capital Protection	<p>If the Series does offer capital protection, the capital protection amount (and any conditions relating to it, for example, that the RALI are held at the Maturity Date) will be specified in the Term Sheet for that Series.</p> <p>Where capital protection is applicable, the level of capital protection may be less than 100% and is subject to the counterparty or credit risk, capital protection risk and, in certain circumstances, early maturity risks summarised in section 5 of the IM.</p>	IM, Sections 03, 04 and 05 Term Sheet
Minimum Application Amount	The minimum amount that you can invest in a Series will be specified in the Term Sheet for that Series.	Term Sheet
Investment Term	This is the period of the RALI investment. It is a period from the Start Date to the Maturity Date (being the end of the scheduled term or, if a Call Event occurs, before the end of the scheduled term, on the adjusted Maturity Date specified in the Election Notice). The scheduled term is specified for each Series in the Term Sheet for the Series.	Term Sheet
Participation Rate	Is a component of the Maturity Value calculation for certain Series, as specified in the Term Sheet for that Series. It refers to the degree to which investors participate in any return on the Reference Asset. Where relevant to a Series, the Participation Rate will be set on the Start Date for that Series within the range identified in the Term Sheet for that Series and will be advised to you in your Acceptance Notice.	IM, Section 03 Term Sheet

INVESTMENT SUMMARY

CONCEPT	CONCEPT DESCRIPTION	REFERENCE
Coupons	<p>The Series may or may not pay Coupons during the Investment Term.</p> <p>If the Series does pay Coupons, the amount, frequency and Coupon Payment Dates will be specified in the Term Sheet for that Series.</p>	IM, Section 03 Term Sheet
Fees and other costs	<p>The fees and costs applicable to an investment for each Series may include:</p> <ul style="list-style-type: none"> > Application Fee > Brokerage Fee > Early Maturity Fee > Break Costs 	IM, Section 06 Term Sheet
Benefits	<ul style="list-style-type: none"> > Exposure to the performance of the Reference Asset during the Investment Term. > Potential capital growth. > Income potential (if Coupons are applicable to the Series). > Profit potential from directional views of the market. > Up to 100% capital protection for certain RALI Series, subject to the conditions set out in Term Sheet. > Where you hold the Delivery Assets after the Settlement Date, the dividends and other ownership rights attaching to the Delivery Assets. 	IM, Section 01 Term Sheet
Risks	<p>The risks relating to an investment in this product can include:</p> <ul style="list-style-type: none"> > General market and performance risks > Counterparty or credit risk > Capital protection risk > Liquidity risk > Early maturity risk > Call event risk > Taxation risk > Adjustment event risk > Operational risk > Exercise of discretion risk > Legislation and regulatory risk > Conflict of interest risk > Foreign exchange risk <p>This is not a comprehensive summary of all the risks. Investors should read the contents of the IM in full as well as the Term Sheet for the relevant Series.</p>	IM, Section 05 Term Sheet

SECTION 2

INVESTMENT SUMMARY

CONCEPT	CONCEPT DESCRIPTION	REFERENCE
Early Maturity	<p>RALI is intended to be held to the scheduled Maturity Date. However, your investment may be terminated early by agreement between you and ANZ or by ANZ in accordance with the Terms.</p> <p>Generally, in the event of an Early Maturity, the value that you will receive for your RALI is ANZ's determination of the fair economic value of your RALI (less Break Costs) which may be significantly less than your Investment Amount.</p> <p>Capital protection (where applicable to a Series) may not apply in the event of an Early Maturity. The Series Term Sheet will identify whether capital protection is offered for a Series and will set out any capital protection conditions for that Series.</p>	IM, Section 04, 05 Term Sheet
Taxation	<p>This IM sets out taxation information about investing in RALI which is of a general nature. You should seek your own independent taxation advice to determine whether the tax treatment will be applicable in your circumstances.</p>	IM, Section 07 Term Sheet
Application Process	<p>If, after reading this IM and the Term Sheet for the relevant Series, you decide to apply for RALI, please complete and return to ANZ the IM Application Form attached to or accompanying this IM (for your first RALI investment only) and the Term Sheet Application Form attached to or accompanying each Term Sheet (for all RALI investments).</p>	IM, Section 11
Further Information and Questions	<p>If you have any questions about an investment in RALI, please contact your financial adviser or contact ANZ Equities on:</p> <p>Phone: 1800 204 693 Email: equitysolutions@anz.com Internet: www.anz.com/markets/equities</p>	IM, Section 12 Term Sheet

SECTION 3

ABOUT RALI

WHAT IS RALI?

An investment in RALI constitutes a deferred purchase agreement between you, the investor, and ANZ. Under RALI, you invest in an agreement to purchase the Delivery Parcel from ANZ on the Maturity Date. The Delivery Parcel is a number of Delivery Assets determined by reference to the Maturity Value formula set out in each Series' Term Sheet.

This Maturity Value reflects the performance of the Reference Asset, in combination with the other features specific to your Series, over the Investment Term.

The RALI itself is not a managed investment scheme.

An investment in RALI is classified as a "security" or as a "managed investment product" under the Corporations Act because it gives investors an equitable interest (a "Beneficial Interest") in a 1/1000th portion of one Delivery Asset (or one of the Delivery Assets per RALI) for the duration of the investment and the Delivery Asset is either a security or an interest in a registered managed investment scheme.

IS MY INVESTMENT CAPITAL PROTECTED?

Certain RALI Series offer capital protection of up to 100% of the Issue Price. Where applicable, the amount of protection (the Capital Protection Amount) and any conditions relating to it will be disclosed in the Term Sheet for that Series.

The effect of this capital protection, where it applies, is that the Maturity Value of your RALI investment cannot be less than the Capital Protection Amount.

Capital protection is subject to the capital protection, counterparty or credit risks and, in certain circumstances, early maturity risks summarised in section 5 of the IM.

WHAT IS THE TERM OF MY INVESTMENT?

The RALI is designed to be held for the Investment Term. Your Investment Term commences on the Start Date and ends at the Maturity Date (whether by the occurrence of a Call Event or at the end of the scheduled term). The Start Date and Maturity Date are determined individually for each Series and are disclosed in the Term Sheet for that Series.

WHAT DRIVES THE VALUE OF RALI?

The value of your RALI is driven by a combination of factors: the performance of the Reference Asset during the Investment Term, your RALI's Participation Rate (if applicable to a Series) and, where applicable, the Capital Protection Amount, primary amongst them.

The Reference Asset for each Series is identified in the Term Sheet for the Series and may be an index, a commodity, a currency exchange rate, a security (or portfolio of securities), a reference rate, a fund, another asset, or a combination thereof. Information in relation to the Reference Asset for each Series is detailed in the Term Sheet for that Series.

HOW MUCH OF THE REFERENCE ASSET PERFORMANCE WILL I RECEIVE?

The degree to which investors participate in the performance (positive or negative) of the Reference Asset depends on the terms of each Series. Certain Series, for example, may offer a high fixed coupon in exchange for taking an element of principal risk. Whether the Series incorporates the concept of Participation Rate in the Maturity Value formula will be specified in the Term Sheet for that Series. The Participation Rate represents the degree to which investors participate in the performance (positive or negative) of the Reference Asset. Where applicable to a Series, the actual Participation Rate is set on the Start Date based on a range of market variables that are constantly changing, such as interest rates and the implied volatility of the Reference Asset. Any Participation Rate will be the same for all investors in a particular Series. The Participation Rate of each Series will be set within the range specified in the Term Sheet for the Series.

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ABOUT RALI

WHAT ARE THE COUPON PAYMENTS?

Each Series of RALI may or may not pay Coupons. Whether the Series pays Coupons will be specified in the Term Sheet for the Series.

If Coupons are payable, they may be payable at a fixed rate, unrelated to the performance of the Reference Asset. Alternatively, whether Coupons are payable and the rate at which they are payable, may be dependant on the performance of the Reference Asset.

If Coupons are payable, the Term Sheet of that particular Series will set out the amount and the conditions for each Coupon payment and the timing of these payments.

Please see section 7 of the IM entitled "Taxation" in respect of the taxation consequences for Investors of receiving Coupon payments. You should seek your own independent taxation advice in this regard.

WHAT IS A CALL EVENT?

The Term Sheet for a Series may specify that the Terms for that Series include a Call Event. If it does, that Term Sheet will also identify the relevant Call Events for that Series and whether such Call Events involve an exercise of discretion by ANZ.

An example of a Call Event is where the Reference Asset is above or below a pre-determined price or level on a set observation date (the Call Event Observation Date). The details of any Call Event and Call Event Observation Dates will be set out in the Series Term Sheet.

If a Call Event occurs on a Call Event Observation Date before the end of the scheduled term, it will result in an acceleration of the Maturity Date but will not result in an Early Maturity. If the Term Sheet for a Series provides that capital protection applies in relation to that Series, that capital protection will not be affected by the occurrence of a Call Event for that Series.

HOW IS OWNERSHIP OF RALI EVIDENCED?

Ownership of a particular Series is evidenced by your name or your investment entity's name being entered on the Register during the Investment Term. The Register will be maintained by ANZ or by the Registry appointed by ANZ.

WHAT PAPERWORK WILL I RECEIVE IN RELATION TO MY INVESTMENT?

If your Application is accepted, you will receive an Acceptance Notice after the Start Date, confirming the details of your investment.

ANZ will provide you with updates during the Investment Term in relation to the performance of your RALI investment.

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ANZ will send you an Election Notice approximately:

- (a) one month (or such other time determined by ANZ but provided that at least 10 Business Days' notice is given to you) prior to the scheduled Maturity Date of your investment; or
- (b) following the occurrence of a Call Event, within 7 Business Days after the Call Event Observation Date on which the relevant Call Event occurred; or
- (c) in connection with an Early Maturity, 15 Business Days (or such other time determined by ANZ but provided that at least 5 Business Days' notice is given to you) before the Early Maturity Date.

In your Election Notice you should indicate whether:

- 1) you wish to accept physical delivery of the Delivery Parcel, which will be described in the Election Notice; or
- 2) you wish to receive the Sale Proceeds from the sale of the Delivery Parcel using ANZ's Sale Facility.

After the RALI matures on the Maturity Date (or, if applicable, the Early Maturity Date), whether you take physical delivery of the Delivery Parcel, or you elect (or are deemed to elect) to sell the Delivery Parcel under the Sale Facility, you will no longer have exposure under the RALI to the performance of the Reference Asset.

OPTION 1 – PHYSICAL DELIVERY OF THE DELIVERY PARCEL

If you do nothing upon receipt of the Election Notice, or if you fail to deliver the Election Notice to ANZ by the Election Close Time, physical delivery will automatically occur.

Physical delivery can also occur at your election if:

- > you elect in the Election Notice to accept physical delivery and you deliver that Election Notice to ANZ by the Election Close Time; and
- > if you have funded the payment (or part of the payment) of your Investment Amount with a Lending Facility, you ensure that ANZ receives, by the Election Close Time, evidence reasonably satisfactory to ANZ that you have

repaid that loan facility in full before the Election Close Time.

If the Delivery Parcel is physically delivered to you:

- > ANZ or its nominee will procure the registration of the Delivery Assets comprising your Delivery Parcel (less any Costs and Taxes) in your name on the Settlement Date or as soon as possible thereafter in accordance with the settlement details you provide to ANZ. Please refer to clause 3 of the Terms for further information; and
- > you will then hold the Delivery Assets relevant to your RALI investment and you will be entitled to dividends and other ownership rights attaching to the Delivery Assets.

Reference is made to section 7 of the IM entitled "Taxation" in relation to the tax implications for investors who accept physical delivery of the Delivery Parcel. However, you should seek your own independent taxation advice in this regard.

OPTION 2 – SALE FACILITY

If, before the Election Close Time, you think that an investment in the Delivery Assets is not suitable for you, you can elect to use the Sale Facility to sell the Delivery Parcel and receive the Sale Proceeds.

To elect to take advantage of the Sale Facility, you must:

- > Elect to use the Sale Facility in the Election Notice; and
- > Return the Election Notice to ANZ by the Election Close Time.

If you have funded the payment (or part of the payment) of your Investment Amount with a Lending Facility, and you do not ensure that ANZ receives, by the Election Close Time, evidence reasonably satisfactory to ANZ that you have repaid that Lending Facility in full before the Election Close Time, you will be deemed to have elected to use the Sale Facility.

Under the Sale Facility, ANZ or its nominee will accept physical delivery of the Delivery Parcel on the Settlement Date on your behalf and will then use its best endeavours to sell the Delivery

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Parcel on your behalf at the Delivery Asset Price or as soon as practicable at the best price it can obtain. ANZ will then pay you the Sale Proceeds, which will equal the value of the Delivery Parcel less any Costs and Taxes and any Brokerage Fee incurred within 10 Business Days of the Settlement Date or as soon as practicable thereafter.

Reference is made to section 7 of the IM entitled "Taxation" in relation to the tax implications for investors who choose to use the Sale Facility. However, you should seek your own independent taxation advice in this regard.

HOW IS THE VALUE OF MY INVESTMENT IN RALI CALCULATED AT MATURITY?

The value of your Delivery Parcel at the Maturity Date is determined by reference to the Maturity Value, which reflects the performance of the Reference Asset, in combination with the other features specific to your Series, over the Investment Term.

The Maturity Value is calculated by ANZ on the Maturity Date and based on the formula disclosed in the Term Sheet for the Series.

In the event of an Early Maturity, the Early Maturity Value of the RALI is determined as explained in the following section headed "What if I want to exit early?".

WHAT IF I WANT TO EXIT EARLY?

RALI is a hold to maturity investment. Unless otherwise agreed and set out in the Series Term Sheet, for example, where a Call Event occurs, you have no entitlement to withdraw prior to the scheduled Maturity Date for the Series (set out in the Term Sheet for the Series).

However, you may terminate an investment in a Series of RALI before the scheduled Maturity Date by contacting ANZ in writing and requesting an Early Maturity for the full amount of your investment. ANZ may, in its absolute discretion, accept or reject your request. If ANZ accepts, ANZ will determine the date on which the Early Maturity will occur and will notify you of that date in an Early Maturity Notice.

In determining the Early Maturity Value, which is the fair economic value of the RALI, as determined by ANZ, ANZ may deduct from that value any costs, losses or expenses that it incurs in relation to the Early Maturity,

including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations, and any cost of funding or any loss of bargain. Factors affecting the value of a particular Series are set out in the Series Term Sheet. In addition, where an Early Maturity Fee applies to your Series, your Early Maturity Value will be reduced by the amount of the Early Maturity Fee (as specified in the Term Sheet for that Series).

These costs may be significant but they are only payable if your investment is terminated on an Early Maturity, prior to the Maturity Date.

If your investment is terminated prior to the Maturity Date, the Early Maturity Value may be less than your Investment Amount. Capital protection (if any) may not apply if an Early Maturity Event occurs.

It is not possible to accurately forecast what the costs of Early Maturity will be. You should therefore not invest in RALI if you are likely to need your funds prior to the Maturity Date. There may also be different tax implications if your investment is terminated early. The taxation consequences of Early Maturity are not addressed in section 7 in this IM entitled "Taxation". You will need to seek your own independent taxation advice.

WHAT HAPPENS IF ANZ WANTS TO TERMINATE EARLY?

RALI may be terminated early if an Early Maturity Event occurs.

Please refer to clause 4.1 of the Terms for a complete list of the circumstances which ANZ may nominate as an Early Maturity Event. The occurrence of a Call Event is not an Early Maturity Event and will not, of itself, result in an Early Maturity.

Examples of an Early Maturity Event are:

- > where the Reference Asset is or includes an index, the index ceases to be published or is suspended;
- > where the Reference Asset is or includes a commodity, there is a suspension or a material limitation on trading in that commodity for 24 hours or more;
- > where the Reference Asset is or includes a

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security or a portfolio of securities, there is a suspension or a material limitation on trading in that security or securities comprising a material proportion of the portfolio for 24 hours or more;

- > where the Reference Asset is a fund, there is, for example, a material change in the fund's investment objectives;
- > where the Reference Asset is or includes a currency exchange rate, trading in the currency exchange rate becomes illiquid or inaccessible for 24 hours;
- > where the Reference Asset is or includes an OTC Derivative, an event of default occurs under the terms of the transaction;
- > where the Reference Asset is or includes a financial product not otherwise referred to above, there is an event which, in ANZ's opinion, causes insufficient liquidity or limited trading ability in that financial product for 24 hours or more; and
- > an Adjustment Event which ANZ reasonably considers should not be dealt with as an Adjustment Event under clause 5 of the Terms.

If ANZ determines that an Early Maturity Event has occurred, ANZ may determine the Early Maturity Date and will give you an Early Maturity Notice which advises you of the Early Maturity Date and confirms the process for the Early Maturity.

Generally, the Early Maturity process will be the same as the normal maturity process. Please see the explanations in relation to options 1 and 2 at the beginning of this section 4 in relation to how you may elect (or be deemed to elect) for physical delivery or to use the Sale Facility under the normal maturity process.

However, if you have funded the payment (or part of the payment) of your Investment Amount with a Lending Facility, and you are in default under that Lending Facility, ANZ may nominate your default as an Early Maturity Event. In the case of this type of Early Maturity Event, the normal maturity process does not apply and instead the Refund process applies under clause 4.4(a)(iv) of the Terms. Under the Refund process you will receive, within 5 Business Days of the Settlement Date or as soon as practicable thereafter, a cash payment of the amount

determined by ANZ in its absolute discretion, adjusted for any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes and any applicable Early Maturity Fee, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under the Terms, and any cost of funding or any loss of bargain.

If an Early Maturity Event occurs, the value of your Delivery Parcel may be less than your Investment Amount.

You should refer to section 5 "Risks" in this IM, including the early maturity risks.

WHAT HAPPENS IF THERE IS A CALL EVENT AND WHAT ARE THE CALL EVENT OBSERVATION DATES?

Call Event Observation Dates are dates disclosed in the Series Term Sheet upon which a Call Event can occur. Where a Call Event occurs, ANZ will send you an Election Notice confirming this, confirming the Call Event Observation Date upon which the Call Event occurred, and confirming the adjusted Maturity Date and Settlement Date (for the purposes of Completion following the occurrence of that Call Event).

The occurrence of a Call Event is not of itself an Early Maturity Event. Terms in relation to Call Events for a Series will be set out in the Term Sheet for that Series.

WHAT HAPPENS IF THERE IS AN ADJUSTMENT EVENT?

Adjustment Events are identified in the Glossary in section 10 of this IM. They include:

- > certain corporate events or reconstructions in relation to, or insolvency events in relation to, the issuer of the Delivery Assets or, where the Reference Asset is a financial product, the issuer of the Reference Asset;
- > where the Reference Asset is or includes an index, the index ceasing to be published or being suspended for 24 hours or more;
- > where the Reference Asset is or includes a security or a portfolio of securities, a suspension or material limitation on trading in that security or securities comprising a material proportion of the portfolio for 24 hours or more;

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- > where the Reference Asset is or includes a commodity, a suspension or material limitation on trading in that commodity for 24 hours or more;
- > where the Reference Asset is or includes a currency exchange rate, trading in the currency exchange rate becomes illiquid or inaccessible for 24 hours or more;
- > where the Reference Asset is or includes a reference rate, the reference rate ceases to be published or is suspended for 24 hours or more;
- > the Delivery Assets being suspended from quotation;
- > Hedging Disruption occurs; and
- > a force majeure event which ANZ determines in good faith renders its performance under the Terms impossible or illegal.

If an Adjustment Event occurs, or is proposed to occur, ANZ may:

- > substitute the Delivery Assets with any other security(ies) quoted and trading on a market operated by the ASX;
- > where the Reference Asset is or includes an index, substitute the index with another published index;
- > where the Reference Asset is or includes a security, substitute the security with another security;
- > where the Reference Asset is or includes a commodity, substitute the commodity with another commodity;
- > where the Reference Asset is or includes a currency exchange rate, substitute the currency exchange rate with another published currency exchange rate;
- > where the Reference Asset is or includes a reference rate, substitute the reference rate with another published reference rate;
- > adjust or amend any formula, calculation or terms used in the Terms; or
- > suspend calculations until reliable values can be obtained,

where ANZ reasonably considers that this adjustment is appropriate to put you and ANZ

in substantially the same economic position as you and ANZ would have been in, had the Adjustment Event not occurred.

If ANZ reasonably considers that it is not possible or desirable to deal with the occurrence of the Adjustment Event by such an adjustment, ANZ may nominate the event as an Early Maturity Event and may deal with that event as an Early Maturity Event.

Please refer to clause 5.1 of the Terms for more information in relation to Adjustment Events and the adjustment risks in section 5 of this IM.

SECTION 5

RISKS

Before investing in a Series of RALI, you should consider whether that Series is a suitable investment for your individual investment objectives, financial circumstances and needs. You should also consider your financial targets, investment timeframe, and what degree of risk you will accept in order to achieve your goals. We recommended that you read this IM and the Term Sheet for the relevant Series in full and seek your own independent financial advice.

This section contains an outline of general investment risks and risks that are specific to RALI that may influence the value of your investment. Any Series specific risks will be summarised in the Term Sheet relevant to the Series.

GENERAL MARKET RISK

During the Investment Term, the value of the RALI will be affected by a number of market variables that change daily, such as performance of the Reference Asset, interest rates, volatility of the Reference Asset, the trading liquidity of the Reference Asset, and the prevailing and anticipated economic conditions, technological, legal or political conditions, and other inter-related factors which affect the performance of markets generally. As an investor in the RALI, you should be familiar with the Reference Asset market and with investments in the financial markets generally, even if you do not have a particular sector view on the Reference Asset markets. In particular, you should be familiar with the financial markets on which the Reference Assets are based, economic, political and other aspects relevant to investments in the countries where the Reference Assets are issued or traded.

PERFORMANCE RISK

The value of RALI is dependent primarily upon the performance (positive or negative) of the Reference Asset. There is no guarantee that the Reference Asset will perform in a manner which results in the Maturity Value exceeding your Investment Amount. Depending on the Series in which you invest, there is a risk that an investment in RALI will result in the full or partial loss of your principal. Further, the value of the Reference Asset may fluctuate over the life of RALI such that an increase in the value of

the Reference Asset in the early part of the Investment Term may be offset by a corresponding decrease in the value of the Reference Asset later in the Investment Term. You should be aware that the return you receive from investing in the RALI may be less than (or greater than) the return you would have achieved by investing directly in the Reference Asset itself.

The past performance of the Reference Asset is no indication of the future performance of the Reference Asset. Performance risk is also greater in relation to investments which have a short to medium term because there is less time available to make up any period of unfavourable performance.

The performance of RALI and the Reference Asset Return are not affected by the performance of the Delivery Assets over the Investment Term. However, if you elect to accept (or are deemed to have elected) physical delivery of the Delivery Parcel at maturity, you should be aware that following the transfer of the Delivery Parcel to you on the Settlement Date, the value of the Delivery Parcel will be affected by changes in the price of the Delivery Assets. The past performance of the Delivery Assets is no indication of the future performance of the Delivery Assets. ANZ makes no recommendation, representation or assurance about the performance or prospects of the Delivery Assets. You can find out more information about the Delivery Assets in the Term Sheet specific to that Series.

OPPORTUNITY COST

RALI is a speculative financial product and may produce a return that is less than that offered by other investments of the same maturity. The actual return of your investment could possibly be negative and you may lose all the money you invest in a Series. In addition, it is likely that it will not be the same as the return of a direct investment in the Reference Asset. If you were to invest directly in the Reference Asset, you may receive any distributions paid on the Reference Asset or the securities or components that make up the Reference Asset.

SECTION 5

RISKS

COUNTERPARTY OR CREDIT RISK

Counterparty or credit risk is common to all investment products that you may hold with ANZ. In all cases, you are reliant on the ability of ANZ to meet its obligations to you under the terms of each transaction. The obligation of ANZ to ensure that the Maturity Value (including any Capital Protection Amount and/or Coupon) is paid are unsecured obligations of ANZ which rank equally with other unsecured obligations of ANZ (other than those preferred by law).

In the unlikely event that ANZ was wound up, there would be a risk that you may not receive your Maturity Value (including any Capital Protection Amount and/or Coupon).

CAPITAL PROTECTION RISK

The level of the capital protection for a Series is set out in the Term Sheet for that Series and may be less than 100% (and may be zero%). For example, if your Investment Amount for a Series is \$50,000 and the Series offers capital protection with the level of capital protection for the Series of 70%, the level of capital protection offered at the Maturity Date for your investment is \$35,000 (not \$50,000, the amount of your Investment Amount).

If a Series offers capital protection, that capital protection will be subject to the capital protection conditions set out in the Term Sheet for the Series, for example, a condition that the RALI are held at the Maturity Date. Capital protection may not be available in the event of an Early Maturity.

If you borrow funds to pay your Investment Amount and the amount of capital protection for the Series you invest in is less than 100%, the minimum value of your Delivery Parcel on the Maturity Date will be less than your Investment Amount and may be less than the amount required to repay your borrowing. The Capital Protection Amount is unlikely to have the same real value as it would on the Start Date due to the likely effect of inflation and the time value of money over the Investment Term. Please also see the counterparty and credit risks and early maturity risks summarised in this section 5 of the IM.

Some Series offer no capital protection and you could lose some or all of your Investment Amount.

LIQUIDITY RISK

RALI is not listed, there is no established market for trading the RALI and there is no guaranteed ability for you to sell RALI before maturity. It is at ANZ's absolute discretion to permit Early Maturity (unless otherwise set out in the Term Sheet).

Where, for example, a RALI Series obtains exposure to the Reference Asset using Over The Counter (OTC) transactions, these OTC transactions must be unwound to allow for Early Maturity and consequently RALI may be illiquid and Break Costs and Cost and Taxes may be significant.

EARLY MATURITY RISK

RALI is a hold to maturity investment. However, your investment may be terminated before maturity either by agreement between you and ANZ, if you request to exit early, or if ANZ is entitled to terminate early under the Terms. Please refer to section 4 in this IM and clause 4 in the Terms for more information. If an Early Maturity Event occurs, the Early Maturity Value of your investment may be less than your Investment Amount. Break Costs payable by you may affect this. Break Costs, defined in section 10 of the IM can be significant. They represent the costs to ANZ of terminating your investment before maturity.

Break Costs are payable only if your investment is terminated prior to the Maturity Date. There may also be an Early Maturity Fee payable. If you choose to invest, we recommend that you only invest funds which you will not require for other purposes during the life of your investment.

You should also note that if there is an Early Maturity Event, and the Series Term Sheet provides that your investment has a level of capital protection, unless the Series Term Sheet provides otherwise, you will not be entitled to any capital protection on your investment on an Early Maturity.

CALL EVENT RISK

The Term Sheet for a Series may specify that the Terms for that Series include a Call Event. If it does, that Term Sheet will also identify the relevant Call Events for that Series and whether such Call Events involve the exercise of discretion by ANZ.

SECTION 5
RISKS

If a Call Event applicable to a Series occurs, the Maturity Date for that Series will be brought forward from the scheduled Maturity Date in the Term Sheet to the adjusted Maturity Date specified in the Election Notice issued following the occurrence of that Call Event.

This acceleration of the Maturity Date (which is not an Early Maturity Date for either capital protection purposes or Completion purposes) will reduce the term of the RALI. Depending on the Term Sheet for a Series, and whether capital protection applies for the Series, the occurrence of a Call Event may impact the Maturity Value of the RALI.

ADJUSTMENT EVENT RISK

There is a risk that an Adjustment Event may occur (or is proposed to occur) on or before the Maturity Date. The Reference Asset is intended to be fixed for the Investment Term. However, ANZ may amend the terms and substitute the Reference Asset or the Delivery Assets with any other security in the circumstances described on page 11. For example, if the Reference Asset is an index which is closed or suspended or if the Reference Asset which is not an index ceases to be traded in a liquid and accessible fashion for 24 hours or more, the Reference Asset may be substituted in whole or in part with another asset at the discretion of ANZ.

The new Reference Asset will be chosen by ANZ to match the old Reference Asset as closely as possible. Substitution of a Reference Asset may only occur where ANZ believes that not doing so would cause, or allow, the investment exposure to diverge from that described in this IM.

Further, if ANZ determines in its reasonable opinion that any adjustments ANZ makes are not appropriate to deal with the occurrence of an Adjustment Event, ANZ can nominate the Adjustment Event as an Early Maturity Event and deal with it accordingly. For more information on Adjustment Events, please refer to clause 5 of the Terms and the definition of "Adjustment Event" in section 10 of this IM.

EXERCISE OF DISCRETION BY ANZ

You should note that a number of provisions in the Terms confer discretion on ANZ and its nominees that could affect the value of the RALI. These include the powers to nominate Adjustment Events, Early Maturity Events and, in

certain circumstances, to determine that a Call Event has occurred, to substitute the Reference Asset and/or the Delivery Assets, to adjust or amend any variable, formulae, amount or calculation set out or used in the Terms or the Term Sheet of the RALI as contemplated in the Terms. You will be notified if an adjustment occurs. ANZ also has the right to transfer its obligations by giving notice to you in accordance with the Terms in section 9 of the IM.

The Terms confer a discretion on ANZ to set off any amount payable to ANZ by you against any amount payable by ANZ to you. This means that ANZ may withhold any amount payable by ANZ to you in relation to RALI in satisfaction of any amount payable to ANZ by you, including any amount payable under any Lending Facility you use.

TAXATION RISK

An investment in RALI will give rise to taxation implications. Investors should refer to the comments in section 7 of the IM entitled "Taxation", noting the scope and limitations therein, and seek their own taxation advice referable to their own facts and circumstances. Section 7 of the IM does not address all potential tax implications for all possible types of investors in RALI.

RALI is a deferred purchase agreement (DPA). The Australian Taxation Office (ATO) has made determinations (TD 2008/21 and TD 2008/22) in relation to some of the tax consequences of investing in DPAs. Refer to section 7 of the IM for commentary on the application of the determinations to an investment in RALI.

The tax implications of an investment in RALI may change, during the term of the investment, due to any future changes in taxation law, or to changes in the interpretations and practices of the ATO and other revenue authorities. Such tax changes may affect the value of, and/or the return on, your investment.

If and where necessary, further more specific, and/or updated, comments on tax issues referable to a particular Series will be included in the Term Sheet for that Series.

SECTION 5

RISKS

OPERATIONAL RISK

The ability of ANZ to meet its obligations will depend in large part upon the skills, operational procedures, and controls and expertise of ANZ.

You are reliant on the ability of ANZ to price and settle your investment in a timely and accurate manner and this depends on ANZ's own operational processes that may include communications, computer and computer networks. Disruptions in ANZ's processes may lead to delays in execution and settlement of your investment. Such disruptions may result in outcomes that are less favourable to you.

LEGISLATION AND REGULATORY RISKS

Changes to laws or their interpretation in Australia, including taxation, superannuation and corporate regulatory laws, could adversely affect investments in RALI. Applicants, particularly superannuation fund trustees, must be satisfied that the investment in RALI is permitted under relevant laws, is appropriate for them and that they will continue to comply with relevant laws after making the investment. The interpretation of superannuation legislation and the administrative practices of the relevant regulators may also change over the Investment Term. We recommend you seek independent legal advice from a suitably qualified law firm in matters of taxation and corporate regulatory law and, for superannuation fund trustees, superannuation law.

CONFLICTS OF INTEREST RISK

ANZ may have material price sensitive information relating to securities that make up the Reference Asset or conduct transactions as principal and as agent in various financial instruments, including the Delivery Assets and the Reference Assets. These trading activities may affect (positively or negatively) the price at which the Delivery Assets trade or the level of the Reference Assets at any point in time. ANZ may have a potential conflict of interest of which you are not aware and which we are unable to disclose to you.

FOREIGN EXCHANGE RISK

The Term Sheet for a Series may specify that the Series is denominated in a currency other than Australian dollars. If you invest in a Series that is denominated in a foreign currency you may have foreign exchange risk and movements in the relevant currency exchange rate may adversely impact the value of the RALI.

The Term Sheet relevant to the Series in which you intend to invest, will detail, what, if any, currency exchange rate hedge is in place to alleviate or protect against foreign exchange risk.

DELIVERY PARCEL COSTS & TAXES

Under the Terms, the value of the Delivery Parcel may be reduced by any applicable Costs and Taxes (including GST). At the date of this IM, ANZ is not aware of any such Costs and Taxes that would be payable and ANZ will notify you if it becomes aware that any such Costs and Taxes (including GST) would be payable.

FEES AND OTHER COSTS

The following is a summary of the fees and other costs that you may be charged in relation to an investment in RALI. You should read all the information about fees and costs because it is important to understand their impact on your investment.

APPLICATION FEE

An Application Fee (which is a percentage of the total Investment Amount specified in the Term Sheet for the Series you apply for) may be payable to ANZ when you make your Application. For each Series, the Term Sheet for the Series will identify whether an Application Fee applies and, if it does, the amount of the fee.

For example, if your Application Amount is \$10,000, and the Application Fee is 2%, an Application Fee of \$200 including GST (ie 2% of \$10,000) would apply to your Application Amount. This will be deducted from your Application Amount (\$10,000 - \$200) leaving \$9,800 as your Investment Amount.

ADVISER REMUNERATION

Financial advisers may receive commissions from ANZ based on the value of investments by their clients in RALI. Accordingly, the larger your Application Amount, potentially the higher the commission that your financial adviser will receive. Any such commission would be paid to advisers out of ANZ's own funds at no additional cost to RALI investors.

Please check with your financial adviser as they are required by law to disclose to investors any benefits that they receive from ANZ.

(A) UPFRONT COMMISSIONS

Any commission paid to an investor's financial adviser based on the value of an investor's total Application Amount represents an upfront commission.

(B) ONGOING COMMISSIONS

ANZ may also pay out of its funds trailing commissions to an investor's financial adviser of a certain percentage based on specific features of a Series. An example may be a trailing commission based on the total amount of the loan taken out by the investor if a Lending Facility is used. Any such commissions will be disclosed in the Term Sheet for the relevant Series.

ANZ may at its sole discretion decline to pay any commissions to your financial adviser if you are in default under the Terms.

BROKERAGE FEE

Brokerage on the sale of the Delivery Assets through the use of the Sale Facility may be deducted from the proceeds of sale of the Delivery Assets. This fee will be charged as a certain percentage of the Maturity Value and is deducted from the Sale Proceeds by ANZ. This percentage will be disclosed in the Term Sheet for the relevant Series.

For example, if you elect (or are deemed to elect) to use the Sale Facility, the value of your Delivery Parcel has been determined as \$20,000 and the Brokerage Fee is 0.5%, a Brokerage Fee of \$100 including GST (ie 0.5% of \$20,000) would be deducted from your proceeds of sale and your Sale Proceeds would be \$19,900.

EARLY MATURITY FEE

For each Series, the Term Sheet for the Series will identify whether an Early Maturity Fee applies and if it does, the amount of the fee (which is a certain percentage of the Early Maturity Value).

If the Early Maturity Fee is payable in relation to a Series and there is an Early Maturity, the Early Maturity Fee will be deducted from the Early Maturity Value when determining the Delivery Parcel.

OTHER FEES

Apart from the above specified fees, there will be no ongoing management fees payable by you to ANZ in respect of RALI.

Under the Terms, the value of the Delivery Parcel and any Refund may be reduced by any applicable Costs and Taxes (including GST). At the date of this IM, ANZ is not aware of any such Costs and Taxes that would be payable and ANZ will notify you if it becomes aware that any such Costs and Taxes (including GST) would be payable.

The tax treatment of the fees and other costs described in this section are not addressed in detail in section 7 of the IM entitled "Taxation". You should seek your own independent taxation advice about the tax treatment of such fees and other costs.

SECTION 7 TAXATION

TAXATION

ANZ does not provide taxation advice. Taxation law is complex and will vary depending on individual circumstances.

ANZ has obtained a tax opinion from Greenwoods & Freehills Pty Limited, which discusses generally the indicative tax treatment for certain RALI investors generally, including the ATO's determinations on deferred purchase agreements.

You should read the tax opinion carefully and seek independent taxation advice when determining whether an investment in RALI is suitable for you.

Greenwoods & Freehills

The Directors
Australia and New Zealand
Banking Group Limited
Level 14, 100 Queen Street
MELBOURNE VIC 3000

1 November 2011

that may be relevant to any particular investor in a Series.

All investors should consider seeking their own professional tax advice on the consequences of investing in RALI, based on their own particular circumstances.

Dear Directors

REFERENCE ASSET LINKED INVESTMENTS AUSTRALIAN TAX IMPLICATIONS

We have been instructed by Australia and New Zealand Banking Group Limited ("ANZ") to prepare an Australian taxation summary for inclusion in the information memorandum ("**Information Memorandum**") relating to the offer of each series of Reference Asset Linked Investments ("**RALI**") dated on or about 1 November 2011. Additional terms and conditions that apply to a particular series of RALI ("**Series**") will be contained in a term sheet ("**Term Sheet**") in relation to that Series. Investors should also refer to the Term Sheet for their particular Series.

This summary is based on Australian income tax, stamp duty and Goods and Services Tax ("**GST**") laws and Australian Taxation Office ("**ATO**") practices as well as the practices of the relevant State Revenue Authorities applicable as at the date of this letter.

Investors should be aware that such laws and practices may change during the period in which they invest in a Series.

The representatives of Greenwoods & Freehills Pty Limited involved in preparing this letter are not licensed to provide financial product advice in relation to dealing in securities. Accordingly, Greenwoods & Freehills Pty Limited does not seek to recommend, promote or otherwise encourage any party to participate in RALI.

Applicants should consider seeking advice from a suitably qualified Australian Financial Services Licence holder before making any investment decisions. Applicants should also note that taxation is only one of the matters that may need to be considered.

1 PRELIMINARY MATTERS

The information contained in this summary is of a general nature only and does not constitute tax advice. The letter is provided solely for the benefit of ANZ and does not attempt to address all of the tax implications

Greenwoods & Freehills Pty Limited has given its consent to the inclusion of this letter in the Information Memorandum.

Greenwoods & Freehills

Except where the context requires otherwise, all legislative references in this letter are to the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997 (together the “Tax Act”).

Unless otherwise indicated, all capitalised terms bear the same meanings as assigned to them in the Information Memorandum.

2 OVERVIEW AND SCOPE

This letter sets out the Australian income tax, GST and stamp duty consequences for investors who invest in RALI and who:

- (a) are residents of Australia for taxation purposes;
- (b) are individuals, companies or trustees of complying superannuation funds;
- (c) hold their investment in each RALI on capital account for tax purposes;
- (d) do not carry on a business of trading or dealing in securities; and
- (e) are not subject to the taxation of financial arrangements (“TOFA”) provisions in

Division 230 of the Tax Act. Whether and how the TOFA rules will apply to an investment in RALI will depend upon the particular facts and circumstances, including the features of the relevant Series and what TOFA timing elections, if any, the investor has made. Some further comments on the TOFA rules are set out in section 11 of this letter.

The tax implications for investors in RALI who do not satisfy criterion (c) above may be governed by the application of other tax provisions not addressed in this letter.

Specifically, such investors may be assessable on any profit/gains or losses arising from their investment under the ordinary income and deduction provisions, rather than under the capital gains tax (“CGT”) provisions as set out below, and would not have access to the CGT discount. Such a classification may also affect the deductibility of interest on any loan the proceeds of which are used by an investor to invest in RALI.

The Commissioner of Taxation (the “Commissioner”) has expressed his view in TD 2008/21 (discussed further below) that generally

an investment in a deferred purchase agreement (“DPA”) will be on capital account for an investor. However, in certain circumstances the investment may be an ordinary incident of carrying on a business or in a business operation or commercial transaction with a purpose of profit-making. The Commissioner notes that, where this is the case, the tax consequences of the investor’s investment will be determined under the ordinary income and deduction provisions rather than the CGT provisions. Investors should seek their own taxation advice as to whether their investment satisfies the criterion in (c) above.

Where an investor intends to seek Early Maturity, i.e. to terminate an investment in RALI before the scheduled Maturity Date, there will be taxation consequences which will need to be considered. Such consequences are not addressed in this letter and investors should seek their own advice.

Subject to the above comments, this letter should generally apply to each Series.

Investors should refer to the Term Sheet that is specific to their Series to confirm if this letter applies to their Series.

3 CHARACTERISATION OF RALI

Each RALI issued under a Series is a DPA. This is because each RALI represents the agreement entered into by an investor with ANZ to purchase a Delivery Parcel on a deferred basis. The Delivery Parcel is calculated with reference to the performance of a Reference Asset over the term of that Series.

Investors may also apply for an interest only loan, the proceeds of which will be used to invest in RALI.

Investors may also be capital protected to the extent of the Capital Protection Amount specified in relation to each Series.

As this opinion assumes that investors will hold their investment in each RALI on capital account for taxation purposes (refer to section 2(c) above), the tax consequences to investors of investing in RALI should be determined by the application of the CGT provisions.

Greenwoods & Freehills

4 COMMISSIONER'S VIEWS AND APPLICATION TO A PARTICULAR SERIES

The Commissioner has set out his views on certain tax implications of DPAs in TD 2008/21 and TD 2008/22 ("TDs"). These TDs only bind the Commissioner in respect of "deferred purchase agreements" which fulfil a certain set of criteria, as set out in those determinations.

In this respect, the TDs are stated to apply to DPAs that have a number of features including "a share market index or basket of indices" as its reference index, and a term of "typically" between three and five years. Where the terms of a Series are the same as, or materially similar to, those described in the TDs, the investor should be able to rely on the tax outcomes stated in the TDs. For a Series that has features that differ materially from the features of the DPAs discussed in the TDs, the Commissioner may determine that a different taxation treatment should apply.

In some cases, a Series may have features that are materially similar to, though not exactly the same as, the features of the DPAs described in the TDs. For example, the Series may be linked to a reference asset not specified in the TDs. Nonetheless, it may be the case that the Series should be regarded as giving rise to the same tax outcomes as those set out in the TDs. The Commissioner confirmed, in a non-binding compendium to TD 2008/22, that the principles in the TDs should generally extend to DPAs with reference assets other than share market indices. In such a case, no additional tax disclosure will be made in the Term Sheet for that Series.

Additionally, a Series may have a term that is outside the three to five year term considered in the TDs. On the basis that an investor falls within the scope of this letter as outlined in section 2 above, then in our view, a Series with a term that is less than or greater than that outlined in the TDs should be regarded as giving rise to the same tax outcomes as those set out in the TDs. However, if the term of the Series is less than 12 months, then an investor in that Series will not be entitled to the CGT discount on any capital gain arising on the Settlement Date.

Should it be anticipated that the features of any particular Series will be materially different to the DPAs addressed in the TDs (such that the

Series may therefore fall out of the scope of the TDs), investors will be informed in the relevant Term Sheet for that Series that this letter does not apply. In such circumstances, investors should seek their own advice.

5 TAXATION OF INVESTMENT IN RALI

5.1 CGT TREATMENT

For the purposes of this letter, it has been assumed that an investment in each RALI will be on capital account (refer section 2(c) above). Accordingly, based on this assumption, investors should be subject to the CGT rules in relation to their investment in RALI.

The Commissioner's views (as set out in TD 2008/22) are that, for CGT purposes, a right to acquire delivery assets under a DPA is created in an investor at the time of entry into the DPA, and that this right is a separate and distinct CGT asset from the delivery assets.

Based on these views, the right acquired by an investor at the time of entry of a DPA does not constitute an interest in the underlying delivery assets.

Consequently, applying these views to an investor who invests in RALI, no tax consequences should arise to the investor on entry into, and creation of the rights under each RALI. The investor's aggregate cost base in the rights under each RALI for a Series should include the Investment Amount in respect of that Series, plus any incidental costs that are not otherwise deductible (e.g. the Application Fee).

5.2 TRADITIONAL SECURITIES

Sections 26BB and 70B of the Tax Act contain provisions which include gains on the disposal of traditional securities in a taxpayer's assessable income, and allow losses on such disposals to be deducted from the taxpayer's assessable income. An investment in RALI should not be a traditional security for the purposes of these sections. This is consistent with the Commissioner's views as set out in TD 2008/21.

5.3 QUALIFYING SECURITIES

Division 16E of the Tax Act contains provisions which recognise as income the 'deep discount' on certain types of debt and debt-like instruments, on

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an accruals basis, so as to prevent the deferral of income recognition. Division 16E only applies to 'qualifying securities' as defined. An investment in RALI should not constitute a 'qualifying security' and as such Division 16E should not apply to affect the tax treatment of gains and losses under RALI. This conclusion is consistent with the Commissioner's implicit views in TD 2008/21.

5.4 COUPON PAYMENTS

Any coupon payments received by an investor under a particular Series should constitute assessable income of the investor in the income year in which the payments are derived.

Generally, this timing should for most investors coincide with the income year in which the coupon payments are paid by ANZ, although some investors may recognise income of this nature on an accruals basis for tax purposes.

Where a Series is denominated in a currency other than Australian dollars, for tax purposes the investor should generally translate any foreign currency-denominated coupon payment to Australian dollars using the prevailing spot exchange rate at the time when the amount is assessable income in their hands.

6 PHYSICAL DELIVERY OF THE DELIVERY ASSETS

Under the position set out in TD 2008/22, on physical delivery of the Delivery Assets (i.e. at the Settlement Date), an investor's rights to acquire the Delivery Parcel will come to an end by reason of those rights being discharged or satisfied. This will be a taxing point for CGT purposes. Generally, the investor will make a capital gain equal to the amount by which the market value of the Delivery Assets on the Settlement Date exceeds the cost base of those rights (which should include the Investment Amount in respect of the relevant Series, as above). In effect, this will result in the taxation, in the income year in which the Settlement Date occurs, of any increase in value of the Delivery Parcel in the period from entering into the relevant Series to the Settlement Date, regardless of whether the Delivery Assets are also sold at this time. If the investor elects physical delivery of the Delivery Parcel, the investor will be required to fund the taxation liability in respect of the capital gain out of their own funds.

Where an investor has held their rights to acquire the Delivery Parcel for 12 months or more as at the Settlement Date (not including the days of acquisition and disposal), that investor may be entitled to a CGT discount on the capital gain (after applying capital losses) at the relevant discount percentage (50% for individuals and 33 1/3% for complying superannuation entities). Corporate investors are not entitled to the CGT discount. Generally, as the investor will have held their right from the date of entry into each RALI through to the Settlement Date, the 12 month period requirement should be satisfied (unless a Series is for a term of less than 12 months).

Where an investor's reduced cost base of the rights in respect of the relevant Series exceeds the capital proceeds (being the market value of the Delivery Parcel on the Settlement Date), the investor will make a capital loss equal to the amount of this difference. Generally, (and apart from the possible impact of the Application Fee on an investor's cost base) it is not expected that investors will make a capital loss at this time if their Investment Amount is wholly capital protected under the Series in which they invest.

However, should the investor make a capital loss, such a loss can be offset against current year capital gains, or carried forward and offset against future capital gains.

Where a Series is denominated in a currency other than Australian dollars, the amount of the investor's capital gain or capital loss will generally be the market value of the Delivery Assets on the Settlement Date (expressed in Australian dollars using the spot exchange rate on that date) less the foreign currency-denominated Investment Amount (plus any incidental costs that are not otherwise deductible) translated into Australian dollars using the spot exchange rate on the Start Date for the Series.

An investor in a foreign currency-denominated Series should seek their own advice as regards the tax implications (if any) arising from any gain or loss applicable to the disposal of foreign currency used to make their investment in the Series, and/or from any foreign currency transactions arising upon a subsequent disposal of the Delivery Assets.

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7 SALE OF THE DELIVERY ASSETS FOLLOWING PHYSICAL DELIVERY OF THE DELIVERY PARCEL

This section 7 covers the situation where an investor has taken physical delivery of the Delivery Parcel and subsequently sells the Delivery Assets (including a sale of the Delivery Parcel pursuant to the Sale Facility).

The investor's cost base in the Delivery Assets acquired on physical delivery of the Delivery Parcel should generally be equal to the market value of these assets at the Settlement Date and any incidental costs of acquisition and disposal that are not otherwise deductible (e.g. such as brokerage fees).

The subsequent sale of the Delivery Assets will be a disposal for CGT purposes. An investor will be required to calculate any capital gain or loss. Investors may be entitled to the CGT discount at the applicable percentage (50% for individuals and 33 1/3% for complying superannuation entities) on any capital gain (after applying any capital losses) if they had held their Delivery Assets for 12 months or more at the time of disposal (not including the days of acquisition and disposal). This 12 month period will run from the date of acquisition of the Delivery Assets on the Settlement Date rather than the date of entry into the DPA.

If the reduced cost base of the Delivery Assets exceeds the capital proceeds received on sale, an investor will make a capital loss equal to the difference. This capital loss may be offset against current year or future capital gains, but may not otherwise be offset against assessable income.

Where an investor utilises the Sale Facility, and the Sale Proceeds are the same amount as the market value of the Delivery Assets on the Settlement Date, the investor's overall capital gain or capital loss from their investment in a Series will be equal to the difference between:

- > the Sale Proceeds; and
- > the sum of their cost base (or reduced cost base) of their investment in the Series and the Brokerage Fee.

8 DISTRIBUTIONS ON DELIVERY ASSETS

8.1 WHERE DELIVERY ASSETS ARE SHARES IN A COMPANY

(a) Dividends on Delivery Assets

Where an investor elects physical delivery of the Delivery Assets then, on and after the Settlement Date, investors will be entitled to receive all dividends paid on their Delivery Assets. The investor will be required to include such dividends, as well as the "gross up" amount in relation to any franking credits, in their assessable income.

The investor may be entitled to a tax offset for these franking credits, subject to satisfaction of the holding period rules (as outlined below).

For investors who are individuals or complying superannuation entities, if the tax offsets exceed the investor's tax liability for that income year, the investor may be entitled to a refund equal to the amount of the excess.

Where an investor is a corporate tax entity, the investor will be entitled to a franking credit in their franking account for the amount of the franking credit attached in addition to the tax offset (subject to satisfying the holding period rules below).

(b) Holding period rules

Broadly speaking, an investor will generally satisfy the holding period rules if that investor has held their shares "at risk" for 45 continuous days (for ordinary shares) or 90 continuous days (for preference shares) in the period starting at acquisition (though not including the date of acquisition or date of disposal) and ending 45 days or 90 days (as applicable) after the payment of the dividend. In this regard, the date of acquisition will generally be the Settlement Date. In calculating the holding period, any days where the investor has a materially diminished risk of loss or opportunity for gain in relation to the shares are excluded.

Investors who enter into any "positions" in relation to their shareholding should seek their own taxation advice in relation to the availability of tax offsets for franking credits.

Where an investor is an individual with a franking credit offset entitlement of \$5,000 or less in any given income year (in relation to all

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shares and interests in shares held by the investor), that investor will enjoy a blanket exemption from the holding period rules.

However, this will not be the case where the “related payment rules” apply in relation to that investor. Briefly, the “related payment rules” apply where the investor has received a distribution the benefit of which that investor is required to pass onto another person.

8.2 WHERE DELIVERY ASSETS ARE UNITS IN A TRUST

After delivery of the Delivery Assets, an investor may thereafter receive distributions on their units in the relevant unit trust.

Distributions from unit trusts may contain amounts which are assessable income. Where the assessable income reflects amounts of franked dividends received by the responsible entity of the relevant trust, in very broad terms the comments in section 8.1 above will generally have similar application to investors.

Distributions from unit trusts may also contain amounts which are not assessable income upon receipt, but which may reduce the investor’s CGT cost base of the relevant units.

Investors can generally expect to receive statements from the responsible entity of the relevant trust which will explain the tax implications of the distributions made by the trust.

9 INVESTORS SHOULD SEEK THEIR OWN TAX ADVICE REGARDING THE DEDUCTIBILITY OF INTEREST COSTS ON BORROWINGS USED TO INVEST IN RALI

Where an investor borrows funds in order to invest in RALI (whether by utilising any loan options that may be provided by ANZ, or otherwise), the deductibility of the interest costs and other borrowing costs (such as loan application fees) in relation to the loan will depend on the facts and circumstances applicable to each investor, including whether their investment is on capital account.

Generally, such costs will be deductible where the outgoing was incurred in gaining or producing assessable income, is not of a capital nature and is not incurred only for the purpose of producing capital gains. In addition, provisions such as the

prepayment rules may apply to defer all or part of a deduction for prepaid interest, and the capital protected borrowings provisions may apply to deny deductibility for part of the interest costs.

As investors may or may not receive coupon payments during the term of their investment in RALI (depending on the Series they choose to invest in), and the quantum of any such coupon payments for any particular Series is not known, it is not possible to address the deductibility of interest incurred by investors in relation to borrowings used to finance an investment made under RALI. As such, investors should seek their own taxation advice on the deductibility of some or all of their funding costs, having regard to any coupon payments. In this respect, it is not clear whether the ATO will accept an investor’s intention to derive assessable income from the Delivery Assets (in the form of assessable dividends or trust distributions) as a sufficiently relevant factor in determining the deductibility of some or all of the investor’s funding costs.

An industry body has asked the ATO for its views on the deductibility of interest expenses on loans used to finance investments in DPAs. The ATO’s preliminary view is that some apportionment may be required in certain circumstances – for example, such interest expenses may only be deductible to the extent of any coupons actually paid by the issuer of the DPA. The ATO has since advised that it cannot issue a public ruling or guidance in another form, as interest deductibility depends on all of a particular investor’s facts and circumstances. Investors may obtain certainty with respect to the deductibility of interest expenses on loans used to finance investments in DPAs by applying for a private binding ruling from the ATO. Alternatively, investors should seek appropriate advice from their taxation advisor referable to their facts and circumstances.

Where interest costs or other borrowing costs are not deductible, they should generally be included in the cost base of the relevant asset for CGT purposes in calculating any capital gain (but, with respect to interest costs, not when calculating any capital loss).

The above discussion does not apply to complying superannuation entities who are subject to additional regulation in relation to borrowing transactions. Such entities should seek appropriate advice in this regard.

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10 PART IVA

The general anti-avoidance provisions in Part IVA of the Tax Act can apply to disallow deductions or include an amount in assessable income in circumstances where either the investor or another person entered into the scheme with the sole or dominant purpose of enabling the investor to obtain a tax benefit. By way of example, a tax benefit includes the availability of a deduction that would not otherwise have been available had the scheme not been implemented.

The application of Part IVA will depend on the facts and circumstances applicable to each investor. However, in our opinion it is unlikely that Part IVA will be applicable to a typical investment in RALI.

Investors should seek their own taxation advice in this regard.

11 TOFA

Where the TOFA regime in the Tax Act applies, it may impact upon the tax character and tax timing of gains and losses arising from certain financial arrangements.

By way of overview, the TOFA regime only applies to certain investors – and, even then, only in respect of certain DPAs.

Where a DPA is acquired by an investor who has elected into the TOFA regime, or who is not otherwise subject to a general exception from the TOFA regime, the issue then becomes whether their RALI investment is a financial arrangement to which the TOFA regime applies. The TOFA regime will not necessarily apply to all DPAs. In this regard:

- > the TOFA regime will generally apply to an investment in fully capital protected DPAs; and
- > doubts remain about whether the TOFA regime will apply to an investment in DPAs that are not substantially capital protected.

Investors who are subject to the TOFA regime, or who are considering electing into the TOFA regime, are advised to obtain their own taxation advice as to its potential impact upon a proposed investment in RALI.

12 PAY AS YOU GO WITHHOLDING TAX

Once investors have taken delivery of their Delivery Assets, they may, at their discretion, choose to notify the company of which they are shareholders of their Australian Tax File Number (“TFN”) (or Australian Business Number (“ABN”) if their shares are held in the course of carrying on an enterprise), or of a relevant exemption.

If neither a TFN, ABN nor details of a TFN/ABN withholding exemption are provided, the payer must withhold tax from any unfranked dividends paid to investors in respect of their shareholding. The current rate of withholding is 46.5% of the unfranked dividend.

Investors should be entitled to claim an income tax credit/refund (as applicable) in respect of any tax withheld, in their income tax returns for the relevant income year.

13 STAMP DUTY

No Australian stamp duty is payable on the issue or transfer of a RALI, or on the acquisition or transfer of Delivery Assets.

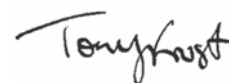
14 GST

Investors should not be liable for GST in respect of any aspect of investing in RALI, including any loan provided by ANZ, and the acquisition and (if applicable) disposal of their Delivery Assets. This is on the basis that such dealings are “input taxed financial supplies” for GST purposes.

However, GST may be charged on certain supplies related to certain aspects of an investment in RALI (e.g. brokerage).

Where GST has been included in expenses incurred by an investor in relation to a Series, investors will generally not be entitled to claim an “input tax credit” for the full amount of that GST (depending on an investor’s individual circumstances, such input tax credits may be claimable in part).

Yours sincerely,



Tony Frost
Director
Greenwoods & Freehills Pty Limited

ADDITIONAL INFORMATION

INFORMATION ABOUT ANZ

ANZ is listed on the ASX. The continuous disclosure obligations of ANZ under the ASX Listing Rules require ANZ to disclose to the ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of its ordinary shares. The ASX Listing Rules provide some exceptions to this requirement.

Copies of the information disclosed to the ASX can be viewed on the public file at the ASX for ANZ.

Information about ANZ, including documents such as financial statements and annual reports, or any documents sent to the ASX to fulfil our continuous disclosure obligations can be provided free of charge to anyone who requests these documents.

If you would like copies of these documents, please write to:

Investor Relations Department
Australia and New Zealand Banking Group Limited
Level 22
100 Queen Street
Melbourne VIC 3000

You should obtain independent advice in respect to the nature of the business activities in which ANZ is participating and to the prospects of those business activities.

CONSENTS

Greenwoods & Freehills Pty Limited has given, and not withdrawn, its written consent to being named as having acted as tax adviser to ANZ in connection with the issue of the RALI pursuant to this IM in the form and context in which it is included. It has, in that capacity, provided the tax opinion in the Taxation section of this IM (section 7). Greenwoods & Freehills Pty Limited otherwise takes no responsibility for this IM. Greenwoods & Freehills Pty Limited does not make any statement in this IM nor does any statement in this IM purport to be based on a statement made by Greenwoods & Freehills Pty Limited except for section 7 of the IM entitled "Taxation".

Freehills has given, and not withdrawn, its written consent to being named as having acted as solicitors to ANZ advising on Australian law in connection with the issue of the RALI pursuant to this IM in the form and context in which it is included. It has, in that capacity, advised and

assisted with the drafting of this IM and the Terms, but not the drafting of the Taxation section of this IM (section 7) and all other comments on taxation matters. Freehills otherwise takes no responsibility for this IM. Freehills does not make any statement in this IM nor does any statement in this IM purport to be based on a statement made by Freehills.

Neither Freehills nor Greenwoods & Freehills Pty Limited have authorised or caused the issue of this IM.

ANZ AND ITS RELATED ENTITY INTERESTS

Except as set out in this paragraph, ANZ and its related bodies corporate are not associated with, and have no access to information concerning, the Delivery Assets or the Reference Asset other than that which is in the public domain. Neither ANZ, nor its related bodies corporate, nor any director or proposed director of ANZ, nor any firm in which a director or proposed director of ANZ is a partner, has, at the date of this IM, any material interest in connection with the formation or promotion of either ANZ, the RALI, the Reference Asset or the Delivery Assets except that:

- > ANZ earns brokerage at normal commercial rates on transactions in relation to the RALI which it undertakes. This is at no additional cost to you;
- > ANZ companies, as part of their employee remuneration arrangements, conduct an incentive system based on the success of their activities. The directors and senior executive officers of ANZ participate in these incentive remuneration arrangements;
- > ANZ and its related bodies corporate, as part of its banking and stockbroking business, has in the past and may from time to time advise or act for entities including those who issue the Delivery Assets or the Reference Asset, or may advise or act for other clients in relation to the Delivery Assets or the Reference Asset, or publish research reports on the Delivery Asset or the Reference Asset. Investors will not be notified of these activities, or the content of such reports; and
- > ANZ or an associate or related body corporate may from time to time hold Delivery Assets or the Reference Asset for trading purposes, or to hedge the RALI. Related bodies corporate of

SECTION 8

ADDITIONAL INFORMATION

ANZ may deal in Delivery Assets or the Reference Asset, options and other derivative contracts in respect of them.

When any of these relationships lead to a potential conflict of interest, ANZ has in place information barriers to prevent the inappropriate use of information.

PRIVACY STATEMENT

If you apply for RALI, you will be asked to provide personal information to ANZ and/or its agents. ANZ and/or its agents will collect, hold and use that personal information in accordance with the Privacy Act and ANZ's privacy policy, to assess and process your Application, to service your needs as a RALI holder, to provide facilities and services that you request and to carry out appropriate administration of your investment. Company and tax law requires some personal information to be collected.

To do these things, ANZ may disclose your personal information to its agents, contractors or third party service providers to whom ANZ outsource services such as mailing and registry functions. ANZ may also disclose your personal information to related companies or to their agents, contractors or third party service providers. However, all of these parties are bound by the same privacy policy as ANZ.

ANZ may also use your personal information to keep you informed about ANZ's business activities, progress and development and bring to your attention a range of products and services offered by ANZ. You can either tick the box provided in the Application Form or contact ANZ or the Registry on 1800 113 399 (within Australia), 0800 174 007 (within New Zealand) or +61 3 9415 4010 (international) if you do not consent to ANZ using or disclosing your personal information in this way. It is important that you either tick the box provided in the Application Form or contact ANZ or the Registry if you do not consent to this use because, by investing in RALI, you will be taken to have consented. Some uses and disclosures may occur outside of Australia. If you do not provide the information requested, your Application may not be able to be processed efficiently, if at all.

Under the Privacy Act, you may request access to your personal information held by or on behalf of ANZ. You can request access to your personal information or obtain further information about ANZ's management of your personal information by contacting the Registry or ANZ. You can also obtain a copy of ANZ's privacy policy at:

www.anz.com.au/australia/aboutanz/PrivacyPolicy/PrivacyPolicy.pdf.

ANZ aims to ensure that the personal information retained about you is accurate, complete and up-to-date. If the Registry's record of your personal information is incorrect or out of date, it is important that you contact ANZ or the Registry so that your records can be corrected. To assist ANZ with this, please contact ANZ or the Registry if any of the details you have provided have changed. If you have any concerns about the completeness or accuracy of the information ANZ has about you, ANZ will take steps to correct it.

COMPLAINTS

Should you wish to make a complaint relating to RALI, you should contact ANZ Equities:
Email: equitysolutions@anz.com
Ph: 1800 204 693

If your complaint is not resolved to your satisfaction, you can:

- (a) Call the ANZ Customer Response Centre on 1800 805 154; or

send a letter to ANZ Customer Response Centre via:

Mail: Locked Bag 4050, SOUTH MELBOURNE VIC 3205;

Email: yourfeedback@anz.com; or

Fax: +61 3 9683 9267.

ADDITIONAL INFORMATION

(b) ANZ Customer Advocate

If your complaint isn't resolved to your satisfaction, you can ask to have it reviewed by ANZ's Customer Advocate who will provide a free review of more complicated complaints to help achieve a prompt solution.

Contact details

ANZ Customer Advocate

100 QUEEN STREET VIC 3000

Tel: +61 3 9273 6523

Email: customeradvocate@anz.com

(c) Financial Services Dispute Resolution Schemes

If you are not satisfied with the steps taken by us to resolve the complaint, or with the result of our investigation, you may wish to contact an alternative dispute resolution scheme.

Financial Ombudsman Service

GPO Box 3 Melbourne VIC 3001

Tel: 1300 780 808

Fax: +61 3 9613 6399

Internet: <http://www.fos.org.au>

SECTION 9

TERMS

These Terms form the terms and conditions on which the person named in the Application Form ("you") agrees to acquire in the future the Delivery Parcel from ANZ under the RALI. Capitalised words are defined in section 10 of the IM.

1. APPLICATIONS AND ACCEPTANCE

1.1 Offer by you

You may make an offer to ANZ to acquire the Delivery Parcel from ANZ on a deferred basis in accordance with these Terms:

- (a) by completing and returning to ANZ a valid Application Form before the Closing Date; and
- (b) by ensuring that an amount equal to the Application Amount is received by ANZ in cleared funds by 10:00 am on the Direct Debit Date (or such other time if otherwise accepted by ANZ in its absolute discretion).

1.2 You are bound by the Terms

By signing the Application Form and lodging it with ANZ, you agree to be bound by these Terms.

1.3 Acceptance of the offer by ANZ

- (a) ANZ may decide in its absolute discretion whether or not it will accept your offer to acquire the Delivery Parcel from ANZ.
- (b) If ANZ decides that it will accept your Application and provided that ANZ has received the Application Amount in cleared funds by 10:00 am on the Direct Debit Date (or such other time if otherwise accepted by ANZ in its absolute discretion):
 - (i) acceptance of your offer will take place on, and the parties' rights and obligations under these Terms will commence on, the Start Date; and
 - (ii) for each A\$100.00 (or such other amount specified in the Term Sheet) of Investment Amount paid and accepted, you will be issued one RALI.

- (c) Within 10 Business Days of the Start Date, ANZ will send you a notice acknowledging either the acceptance or rejection of your offer.

- (d) Should ANZ decide to reject your offer, any money that you have paid with the Application Form will be refunded to you, without interest as soon as reasonably practicable.

2. DEFERRED PURCHASE OF DELIVERY ASSETS AND COUPON PAYMENTS

2.1 Purchase of Delivery Assets

You agree to purchase from ANZ on the Maturity Date (or the Early Maturity Date, as applicable) the Delivery Parcel for the Investment Amount (which will be paid by you in accordance with clause 2.2). Following Completion, ANZ will deliver the Delivery Parcel to you in accordance with clause 3.

2.2 Payment of the Application Amount

- (a) You must pay the Application Amount to ANZ in cleared funds by 10:00 am on the Direct Debit Date (or such other time if otherwise accepted by ANZ in its absolute discretion).
- (b) The Investment Amount (which forms part of the Application Amount) will be applied to purchase the Delivery Parcel on the Maturity Date (or the Early Maturity Date, as applicable) in accordance with clause 2.1.
- (c) The Minimum Application Amount in relation to a Series that will be accepted by ANZ under these Terms per Application is the "Minimum Application Amount" specified in the Term Sheet for that Series.

2.3 Coupon payments

If we accept your Application and you choose to invest in a Series whose Term Sheet provides for the payment of coupons, then ANZ agrees to pay you an amount equal to the Coupon on the Coupon Payment Dates.

3. MATURITY AND SETTLEMENT OF DEFERRED PURCHASE

3.1 Notice of Completion

ANZ will give you an Election Notice:

- (a) approximately one month (or such other time determined by ANZ in its discretion but provided that at least 10 Business Days' notice is given to you) prior to the scheduled Maturity Date; or
- (b) following the occurrence of a Call Event, within 7 Business Days after the Call Event Observation Date on which the relevant Call Event occurred; or
- (c) in connection with an Early Maturity, 15 Business Days (or such other time determined by ANZ in its discretion but provided that at least 5 Business Days' notice is given to you) before the Early Maturity Date.

3.2 Effecting Completion

- (a) You must complete the deferred purchase of the Delivery Parcel by returning the Election Notice to ANZ on or before the Election Close Time specified in the Election Notice, specifying in the Election Notice that:
 - (i) you will accept physical delivery of the Delivery Parcel; or
 - (ii) you will use the Sale Facility.
- (b) If:
 - (i) we do not receive your Election Notice by the Election Close Time; or
 - (ii) we receive your Election Notice by the Election Close Time but you fail to elect in the Election Notice to either accept physical delivery of the Delivery Parcel or use the Sale Facility,

you will be deemed to have elected physical delivery of the Delivery Parcel and the deferred purchase will complete on that basis.

- (c) If you have funded the payment (or part of the payment) of your Investment Amount with a Lending Facility you are deemed to have

elected to use the Sale Facility and the deferred purchase will complete on that basis unless ANZ receives before the Election Close Time evidence reasonably satisfactory to ANZ that you have repaid that Lending Facility in full before the Election Close Time.

3.3 Physical delivery of the Delivery Assets

If you elect in the Election Notice to accept physical delivery of the Delivery Parcel or you are deemed to have so elected under clause 3.2(b):

- (a) ANZ (either itself or through a nominee) will procure the performance of all acts required of a transferor of marketable securities under the ASTC Settlement Rules to enable the Delivery Parcel to be transferred to you on the Settlement Date or as soon as possible thereafter, free from any security interest or third party interest or restriction on transfer (other than one that has been accepted by an Australian exchange for the purposes of quotation of the property comprising the Delivery Assets); and
- (b) you irrevocably authorise ANZ and any of its nominees, at the option of ANZ, to act as your agent to do all things required to be done, including but not limited to supplying your HIN, to effect the delivery of the Delivery Parcel to you. If you have not supplied a HIN, or are deemed to have elected Physical Delivery of the Delivery Parcel, ANZ (either itself or through a nominee) will register the Delivery Assets as an issuer-sponsored holding in your name.

3.4 Delivery through the Sale Facility

If you elect, or are deemed to have elected, to use the Sale Facility, ANZ (either itself or through a nominee) will procure the delivery of the Delivery Parcel as follows:

- (a) ANZ or its nominees are irrevocably authorised to accept physical delivery of the Delivery Parcel for you and on your behalf on the Settlement Date;
- (b) you irrevocably authorise ANZ or its nominees to sell, and irrevocably direct and authorise ANZ or any of its nominees to take all actions necessary

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or desirable to effect the sale by ANZ, or its nominees, of the Delivery Parcel;

- (c) ANZ, or its nominees on behalf of ANZ, will pay to your Nominated Bank Account or as you direct (or pay by cheque to you if no Nominated Bank Account is nominated or no direction made) the Sale Proceeds, within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter; and
- (d) you acknowledge and agree that:
 - (i) ANZ or its nominees agree to sell the Delivery Parcel on your behalf for an amount equal to the Delivery Asset Price; and
 - (ii) to the maximum extent permitted by law, ANZ and its nominees are not responsible for any loss, costs or expense you incur as a result of using the Sale Facility (whether from negligence or otherwise), except to the extent that such loss, cost or expense arises as a result of ANZ or the nominee's default, fraud or dishonesty.

You agree and acknowledge that ANZ or its nominees will use its best endeavours to sell the relevant Delivery Parcel in accordance with clause 3.4(d) (i). If, for any reason whatsoever, ANZ is unable to sell the relevant Delivery Parcel at the Delivery Asset Price, you irrevocably authorise ANZ to use its best endeavours to sell the relevant Delivery Parcel as soon as practicable at the best price that ANZ can obtain.

3.5 Satisfaction of obligations

Upon delivery of the Delivery Parcel to you in accordance with this clause 3 or payment by ANZ or its nominee (on behalf of ANZ) to you of the relevant amount in respect of the Delivery Parcel under clause 3.4(c), ANZ's obligations to you under these Terms are satisfied and discharged.

3.6 Delivery of a whole number of Delivery Assets only

ANZ or its nominee will not transfer a fractional Delivery Asset or parts of a Delivery Asset. If any fractional component of a Delivery Asset would be transferable by ANZ on the Settlement Date, ANZ will cause to be paid to you (within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter) an amount equal to the value of the fractional component forgone based on the Delivery Asset Price provided that such amount exceeds twenty Australian dollars (A\$20.00). If the amount does not exceed A\$20.00, ANZ is under no obligation to you to make any payment for the fractional component forgone. Upon payment of the amount under this clause, ANZ is discharged of its obligation to deliver the fractional component forgone.

3.7 Call Events

If:

- (a) the Term Sheet for a Series provides that the Terms for that Series include a Call Event; and
- (b) a Call Event occurs on a Call Event Observation Date, in accordance with that Term Sheet,

ANZ must give holders of that Series an Election Notice within 7 Business Days after the Call Event Observation Date on which the relevant Call Event occurred which specifies:

- (a) the new Maturity Date; and
 - (b) the new Settlement Date,
- determined by ANZ following the occurrence of the Call Event.

4. EARLY MATURITY

4.1 Early Maturity by ANZ

ANZ may at any time (in its absolute discretion) nominate any of the following events as an Early Maturity Event:

- (a) ANZ receives notice that:
 - (i) an event of default by you has occurred under a Lending Facility; and
 - (ii) you have been given notice of the occurrence of that event of default;

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TERMS

- (b) an Adjustment Event occurs or is proposed to occur where, in ANZ's reasonable opinion, it is not possible or desirable to deal with the occurrence of that event in accordance with clause 5;
- (c) a Suspension or material limitation of trading in the Delivery Assets (or any equivalent contract) traded on a Relevant Exchange for a period of 24 hours or more;
- (d) where a Reference Asset is or includes an index:
 - (i) that index is Suspended or ceases to be published for a period of 24 hours or more;
 - (ii) a Suspension or a material limitation of trading in securities which together comprise a material percentage weight of that index for a period of 24 hours or more;
 - (iii) a Suspension or material limitation of trading in financial products generally on the Relevant Exchange to which that index corresponds or relates or which that index represents for a period of 24 hours or more; or
 - (iv) a Suspension or material limitation of trading in that index (or any equivalent contract) traded on a Relevant Exchange for a period of 24 hours or more;
- (e) where the Reference Asset is or includes a Commodity, a Suspension or material limitation of trading in that Commodity (or any equivalent contract) traded on a Relevant Exchange (or any successor) for a period of 24 hours or more;
- (f) where the Reference Asset is or includes an Exchange Rate, trading in the Exchange Rate becomes illiquid or inaccessible or restricted by government policy or law for a period of 24 hours or more;
- (g) where the Reference Asset is or includes a security (or a portfolio of securities):
 - (i) that security is Suspended, there is a material limitation of trading in that security or the security ceases to be traded for a period of 24 hours or more; or
 - (ii) a Suspension or a material limitation of trading in securities which together comprise a material percentage weight of a portfolio of securities for a period of 24 hours or more;
- (h) where the Reference Asset is or includes a Reference Rate:
 - (i) the Reference Rate is suspended or ceases to be published for a period of 24 hours or more;
 - (ii) the Reference Rate is replaced by a successor Reference Rate; or
 - (iii) the formula for calculating the Reference Rate is materially changed or the method of calculating the Reference Rate in any way materially modifies that Reference Asset;
- (i) where a Reference Asset is or includes a fund:
 - (i) a violation or change of any material terms of the fund's offer documents or other constitutional documents;
 - (ii) the main investment objective of the fund changes to a material extent;
 - (iii) any change in the currency or denomination of the NAV of the relevant class of interests in the fund;
 - (iv) the NAV of an interest in the fund, as calculated by the administrator, not being calculated or announced for any scheduled Fund Business Day within the time period when ANZ would reasonably and ordinarily expect such NAV to be available;
 - (v) any restriction or limitation or suspension or deferral of, redemptions of or subscription for interests in the fund (including the introduction or increase of any associated fee, cost or expense), or any mandatory redemption of interests in the fund;

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- (vi) a material change in the tax or regulatory environment of the fund, or of the manager, investment manager or investment advisor (each a "Manager") of the fund;
 - (vii) a change in asset allocation by the fund, whether in strategy or choice of Manager(s);
 - (viii) any review or investigation of the activities of the fund or any of its Managers by a relevant regulator, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action taken by such regulator in consequence thereof;
 - (ix) the fund issuer is the beneficial owner of 25% or more of the interests in the fund or a relevant class of interests in the fund;
 - (x) any Fund Accretion arises, is removed or varied;
 - (xi) any winding-up, liquidation of, or any termination or any loss of regulatory approval, license or registration of, the fund's Manager, or any merger, de-merger, winding-up or liquidation of or affecting the fund; or
 - (xii) any arrangement between the issuer of the fund and/or one or more of its Managers, including arrangements relating to subscriptions and redemptions, being changed or terminated;
- (j) where the Reference Asset is an OTC Derivative, any event specified as an event of default in the document(s) governing the transaction and, where those transactions are not documented, the events of default specified in the industry standardised documents and definitions relevant to that class of OTC Derivative;
- (k) if ANZ determines in good faith that the performance of its obligations in relation to or under these Terms has or will become, in circumstances beyond the reasonable control of ANZ, impossible, unlawful, illegal or otherwise prohibited as a result of compliance with any applicable present or future law, rule, regulation, judgement, order or directive of any government, administrative, legislative or judicial authority or power;
- (l) ANZ determines that you are or you have become a Proscribed Person; or
- (m) any actual or proposed event that may reasonably (in ANZ's opinion) be expected to lead to any of the events referred to in paragraphs (a) to (l) above occurring.
- If any event occurs which constitutes both an Adjustment Event as defined in section 10 of the IM and an Early Maturity Event as defined in that section, ANZ may in its discretion treat that event as either an Adjustment Event or an Early Maturity Event.
- #### 4.2 Early Maturity at your request
- You may only request an Early Maturity by giving written notice to ANZ. An Early Maturity can only be requested in respect of the full amount of your RALI. It is in ANZ's absolute discretion to accept or reject the request for Early Maturity. If ANZ accepts, ANZ will in its absolute discretion determine an Early Maturity Date as soon as practicable after the request is received and will complete accordingly.
- #### 4.3 Determination that there will be an Early Maturity
- Where ANZ has nominated an event as an Early Maturity Event, ANZ may in its absolute discretion determine that there will be an Early Maturity and may specify a date as the Early Maturity Date.
- #### 4.4 Procedure for Early Maturity
- (a) If ANZ determines that there will be an Early Maturity or if you request an Early Maturity, the Early Maturity will take place as follows:
- (i) ANZ will, before the Early Maturity Date, notify you of the Early Maturity Date in accordance with clause 3 of these Terms. The notice issued by ANZ under this clause is the Early Maturity Notice;

- (ii) ANZ will specify in the Early Maturity Notice whether Early Maturity will occur:
 - (A) where ANZ determines that there will be an Early Maturity under clause 4.3, other than following the nomination of an Early Maturity Event under clause 4.1(a); or
 - (B) where Early Maturity occurs under clause 4.2, by the normal Completion process in accordance with clause 4.4(a)(iii), subject to clause 4.4(b) below.

Where ANZ determines that there will be an Early Maturity under clause 4.3 following the nomination of an Early Maturity Event under clause 4.1(a), ANZ will specify in the Early Maturity Notice that the Early Maturity will occur by Refund in accordance with clause 4.4(a)(iv);
 - (iii) if the Early Maturity Notice specifies that Early Maturity will occur by the normal Completion process in accordance with this clause 4.4(a)(iii) then, subject to clause 4.4(b), Early Maturity will take place in accordance with the procedures set out in clauses 3.2 to 3.6 of these Terms;
 - (iv) if the Early Maturity Notice specifies that Early Maturity will occur by Refund, Early Maturity will occur by ANZ paying to you the Refund to your Nominated Bank Account or as you direct (or by paying the Refund by cheque to you if no bank account is nominated or no direction made) within 5 Business Days of the Settlement Date or as soon as practicable thereafter; and
 - (v) If you have elected (or are deemed to have elected) to accept physical delivery of the Delivery Parcel and the Delivery Parcel is delivered under clause 3.3(a) or after ANZ (or its nominee) pays you the Refund in accordance with clause 4.4(a)(iv) or after the relevant amount in respect of the Delivery Parcel under clause 3.4(c) is paid to your Nominated Bank Account as a result of an Early Maturity Event occurring, all obligations of ANZ to you under these Terms are deemed to be satisfied in full and ANZ is discharged from its obligations under these Terms.
- (b) If there is an Early Maturity by you or by ANZ under this clause:
 - (i) for the purposes of determining the Delivery Parcel, the definition of "Delivery Parcel" in section 10 of the IM will be applied; and
 - (ii) where you used a Lending Facility to pay (or pay part of) your Investment Amount you will be deemed to have elected to use the Sale Facility unless you repay that Lending Facility in full before the Election Close Time in respect of your Early Maturity.
- 4.5 Substitution of Delivery Assets
- ANZ may, in its reasonable opinion, determine that it is not possible to transfer the Delivery Assets comprising the Delivery Parcel to you. In this case, Completion will take place in accordance with clause 3 (or, in the case of an Early Maturity, in accordance with clause 4.4(a)) except that ANZ may substitute the Delivery Assets with any other security quoted and trading on the ASX (including any other security or any other fund or entity listed on the ASX) and deliver that substituted security in accordance with these Terms. In the event of such a substitution, references to the "Delivery Assets" in these Terms will be taken to be references to the substituted security.
- 4.6 Capital Protection and Early Maturity
- If there is an Early Maturity, whether it arises because of an Early Maturity Event or because you have requested an Early Maturity, capital protection (if any) may not apply. Where the Term Sheet for a Series provides that:
- (a) capital protection is not offered for that Series; or

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- (b) capital protection is offered for that Series subject to a condition, and that condition is not satisfied by the relevant time,

ANZ does not guarantee to deliver to you a Delivery Parcel based on either your Maturity Value or equal to your Capital Protection Amount. The occurrence of a Call Event is not of itself an Early Maturity Event.

4.7 Adjustments to this clause

Where ANZ determines that any of the provisions of this clause 4 are not appropriate in any particular circumstances, or that any event which is not dealt with in clause 4 should have been dealt with, it may make any alterations to the effect of this provision or to any other Term that it considers to be appropriate.

4.8 Proscribed Person Early Maturity Event

If ANZ nominates an Early Maturity Event and delivers an Early Maturity Notice to you on the basis that you are or have become a Proscribed Person, then despite any other provision of these Terms, ANZ may be required by law to refuse, and may accordingly so refuse, to deliver the Delivery Parcel to you or to pay you the Sale Proceeds in which case:

- (a) your investment may be suspended or terminated on the Early Maturity Date; and
- (b) you will not be able to access or to facilitate access to any assets of yours held by ANZ or enable any such asset to be used or dealt with; and
- (c) you must pay to ANZ the Early Maturity Fee on or before the Early Maturity Date; and
- (d) upon the exercise of ANZ's rights under this clause, you must pay ANZ any damages, losses, costs or expenses that ANZ incurs in relation to any action taken under this clause, including without limitation ANZ's refusal of service under this clause, interest adjustments, administrative costs and/or costs of sale of any asset for the purpose of meeting our obligations under these Terms; and

- (e) ANZ will be under no liability to you in respect of ANZ's compliance with any legal requirement to refuse to deliver the Delivery Parcel to you or to pay you the Sale Proceeds.

5. ADJUSTMENT EVENTS

5.1 Adjustment Events

If an Adjustment Event occurs or is proposed to occur on or before the Maturity Date, ANZ may in its discretion elect to do any or all of the following:

- (a) substitute the Delivery Assets with any other security quoted and trading on a market operated by the ASX; or
- (b) where the Reference Asset is or includes a financial product, substitute the financial product with any other financial product;
- (c) where the Reference Asset is or includes an index, substitute the index with any other index published by the publisher of the first index or any other recognised provider;
- (d) where the Reference Asset is or includes a security, substitute the security with any other security quoted and trading on an equivalent exchange;
- (e) where the Reference Asset is or includes a Commodity, substitute the Commodity with any other Commodity;
- (f) where the Reference Asset is or includes an Exchange Rate, substitute the Exchange Rate with any other published Exchange Rate;
- (g) where the Reference Asset is or includes a Reference Rate, substitute the Reference Rate with any other published Reference Rate;
- (h) where the Reference Asset is an interest in a fund, substitute the interest in the fund with an interest in another fund;
- (i) where the Reference Asset is an OTC Derivative, substitute the OTC Derivative with any other OTC Derivative;

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- (j) adjust or amend any variable, formula, amount or calculation as set out or used in these Terms (including without limitation the Term Sheet for the Series);
- (k) adjust, amend or substitute the definition of Delivery Assets, Reference Asset and/ or vary any of the terms referred to in the IM or Term Sheet for the Series; and/or
- (l) determine to suspend any of the necessary calculations referred to in these Terms (including without limitation the Term Sheet for the Series) as appropriate until reliable values can be obtained,

in a manner consistent with the IM provided that in the reasonable opinion of ANZ the adjustment in accordance with the above paragraphs is appropriate to put both ANZ and you in substantially the same economic position as you and ANZ would have been in had the Adjustment Event not occurred. If in the reasonable opinion of ANZ it is not possible or desirable to deal with the occurrence of the Adjustment Event in accordance with this clause 5, ANZ may nominate the event as an Early Maturity Event and may deal with that event in accordance with clause 4. ANZ will notify you of any adjustment that it proposes to make under this clause before the adjustment occurs or as soon as reasonably practicable after the adjustment occurs.

6. BENEFICIAL INTEREST IN THE DELIVERY ASSETS AND ACCRETIONS

- (a) For each RALI you hold, you receive a Beneficial Interest in a Portion of the Delivery Assets, as specified in the Term Sheet for the Series, on the Start Date. You hold the Beneficial Interest in the Portion of the Delivery Assets until the earlier of Completion or transfer of each RALI in accordance with clause 15.9.
- (b) ANZ or its nominee:
 - (i) will hold the Portion of the Delivery Assets for you from the Start Date until Completion or as soon as reasonably practicable thereafter;
 - (ii) will be entitled to retain any dividends or other distributions made in connection with the Portion of the Delivery Assets;
 - (iii) will be entitled to exercise, or refrain from exercising, all voting rights in connection with the Portion of the Delivery Assets in its discretion and without regard to your interests;
 - (iv) will not be required to pass to you any notice of meeting or other material, in connection with the Portion of the Delivery Assets;
 - (v) may administer its holding of Portions such that Portions of an Investor may be aggregated with the Portions of other Investors; and
 - (vi) will have all the powers that a natural person would have in relation to the Portions, subject to these Terms.
- (c) You may only deal with the Beneficial Interest in accordance with these Terms.
 - (i) The Beneficial Interest for each RALI forms part of that RALI and may not be severed from the balance of the rights in connection with that RALI or dealt with separately in any way.
 - (ii) When you deal with a RALI in any way, then without the need for any additional writing or action, the same dealing between you and the other person shall occur in respect of the corresponding Beneficial Interest.
- (d) If you purport to:
 - (i) deal with a RALI without an equivalent dealing in the corresponding Beneficial Interest; or
 - (ii) deal with a Beneficial Interest without an equivalent dealing in the corresponding RALI; or
 - (iii) contract out of this clause in any way,
 any such dealing will be void and the RALI and the Beneficial Interest will remain with you.
- (e) At Completion, the Portion will form part of the Delivery Parcel, and so will either:

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- (i) be delivered to you if physical delivery applies; or
 - (ii) be sold and form part of your Sale Proceeds if the Sale Facility is used.
- (f) You agree and acknowledge that:
- (i) if physical delivery applies, the legal interest and the beneficial interest in the balance of the Delivery Assets will only transfer to you on the Settlement Date; and
 - (ii) if the Sale Facility is used, the beneficial interest in the balance of the Delivery Assets will only transfer to you on the Settlement Date.
- (g) ANZ or its nominee is indemnified in its capacity as holder of the Portions for all costs, expenses, outgoings, loss or damages paid, suffered or incurred in that capacity, from the Portions so held, unless such cost, expense, outgoing, loss or damage arises by virtue of dishonesty or wilful breach of trust. The liability of ANZ or its nominee to you or any other person in relation to the holding of Portions, is limited to the extent to which the liability can be satisfied out of the Portions held for you, unless the liability arises by virtue of dishonesty or wilful breach of trust.
- (h) These Terms do not confer on you any right or interest in respect of Accretions to the Delivery Assets. Accretions to the Delivery Assets may lead to adjustments as provided for in clause 5 of these Terms.

7. ANZ'S OBLIGATIONS ARE UNSECURED

ANZ's obligations under these Terms or in relation to the deferred purchase of the Delivery Assets are direct, unconditional and unsecured obligations of ANZ and these obligations rank equally with ANZ's existing unsecured debt (other than those obligations preferred by law).

8. NO TRANSFER OF LEGAL OR BENEFICIAL INTEREST IN THE DELIVERY ASSETS

- (a) You agree and acknowledge that the agreement to purchase the Delivery

Assets as set out in these Terms and the payment of the Application Amount does not transfer the legal or beneficial interest in the Delivery Assets to you other than the Beneficial Interest in a Portion of the Delivery Assets.

- (b) If ANZ fails to deliver the balance of the Delivery Assets to you in accordance with these Terms, you agree that you will not be entitled to an injunction, specific performance or any other equitable rights or remedies and will be entitled only to damages.

9. TAXES INCLUDING GST

9.1 Taxes

- (a) ANZ (and its nominee) are not liable for any Taxes or other charge:
- (i) payable by you in relation to or in connection with these Terms; or
 - (ii) payable by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of, or the Completion of the purchase and sale of a Delivery Asset or any amount payable by ANZ (or its nominee) under these Terms.
- (b) You must pay all Taxes, if any, payable:
- (i) by you in relation to or in connection with these Terms; or
 - (ii) by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of, or on the Completion of the purchase and sale of a Delivery Asset or any amount payable by ANZ (or its nominee) under these Terms.
- (c) If any amount payable to you under or in connection with these Terms is subject to withholding tax then ANZ (or its nominee) shall be entitled to withhold an amount on account of such tax.

9.2 GST

- (a) Terms used in this clause have the same meaning as those defined in the A New Tax System (Goods and Services Tax) Act 1999 ("GST Act") unless provided otherwise.

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- (b) If any supply made under or in connection with these Terms is subject to GST, the party making the supply (supplier) may increase the consideration otherwise provided for by the amount of that GST and recover such additional amount from the party liable for payment of the consideration. This clause does not apply to the extent that the consideration is expressly agreed to be GST inclusive.
- (c) If the recipient is required to reimburse the supplier for any costs, the amount must be reduced to the extent that the supplier is entitled to claim an input tax credit in respect of those costs. A party will be assumed to have an entitlement to claim a full input tax credit unless it demonstrates otherwise prior to the date on which the consideration must be provided.
- (d) No payment of any amount in respect of GST is required until the supplier has provided a tax invoice or adjustment note, as the case may be, to the recipient. The supplier must provide a tax invoice or adjustment note to the recipient as required by the GST Act.
- (e) Any reference in these Terms to fee, price, value, sales, revenue, or similar amount (Revenue) shall be a reference to that Revenue exclusive of GST, unless and to the extent that the revenue is expressly agreed to be GST inclusive.
- (c) you have not relied in any way on any statements made by ANZ or its related entities or their servants, agents, employees or representatives in relation to these Terms or the deferred purchase of the Delivery Assets and you acknowledge that ANZ has not made any representations to you regarding the suitability or appropriateness of the RALI or deferred purchase of Delivery Assets pursuant to these Terms;
- (d) you understand that nothing in these Terms or in any marketing material associated with these Terms can be considered investment advice or a recommendation to invest in a RALI or buy the Delivery Assets;
- (e) you have obtained all consents which may be required by law to enable you to acquire a RALI and the Delivery Assets and to become registered as the holder of the Delivery Assets and that your registration as the holder of the Delivery Assets will not contravene any law, regulation or ruling or the constitution of the issuer of the Delivery Assets;
- (f) the RALI being applied for will not breach or result in a breach of any exchange controls, fiscal, securities or other laws or regulations for the time being applicable to the RALI and you are not a resident or national of any jurisdiction where the Application for or the Completion of the RALI is prohibited by any law or regulation or where compliance with the relevant laws or regulations would require filing or other action by ANZ or any of its related bodies corporate;

10. INVESTOR'S REPRESENTATIONS AND WARRANTIES

By signing the Term Sheet Application Form and submitting it to ANZ, you represent and warrant to ANZ (as a continuing representation and warranty) that:

- (a) you have full legal capacity to make the Application and be bound by these Terms and have taken all actions that are necessary to authorise the Application and be bound by these Terms;
- (b) you have reviewed these Terms and have made your own independent investigations and appraisals of the taxation, legal, commercial and credit aspects associated with the purchase of the RALI and the Delivery Assets;
- (g) you are not a Proscribed Person;
- (h) you are a wholesale client for the purposes of section 761G of the Corporations Act; and

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- (i) you acknowledge that section 7 of the IM ("Taxation") is provided only for the benefit of ANZ and is necessarily general in nature and does not take into account the specific taxation circumstances of each individual investor. You acknowledge that you have sought your own independent advice on the taxation implications relevant to your own circumstances before making an investment decision.

11. SET OFF RIGHTS

- (a) All monetary obligations imposed on you under these Terms are absolute, free of any right to counterclaim or set off and may only be satisfied once the payment has cleared.
- (b) ANZ may set off any amount payable to ANZ by you against any amount payable by ANZ to you. ANZ may withhold any amount payable by ANZ to you in satisfaction of any amount payable to ANZ by you.

12. NOTICES

- (a) Any notice or statement to be given or demand to be made on you under these Terms:
 - (i) will be effectively signed on behalf of ANZ if it is executed by ANZ, any of its officers, its solicitor or its attorney;
 - (ii) may be served by being delivered personally to, by being left at, by being emailed to, or by being posted in a prepaid envelope or wrapper to ANZ's address (or email address) notified to ANZ or your registered office, place of business, or residence last known to ANZ, or by being sent to you by facsimile transmission.
- (b) A demand or notice if:
 - (i) posted will be deemed served 2 Business Days after posting;
 - (ii) sent by facsimile or electronic transmission will be deemed served on conclusion of transmission.

- (c) Service by any of these methods will be valid and effectual even if you do not receive the document or if the document is returned to ANZ unclaimed.

13. AMENDMENT OF TERMS

ANZ may from time to time by notice sent to you make any modification, variation, alteration or deletion of, or addition to, these Terms ("Change") where:

- (a) the Change is one determined by ANZ as being required or permitted under clause 4 or clause 5 of these Terms;
- (b) the Change is necessary or desirable in the reasonable opinion of ANZ to comply with any statutory or other requirement of law; or
- (c) the Change is desirable to correct an inconsistency or error in these Terms (but only if such Change does not, in the opinion of ANZ, materially prejudice your interests).

ANZ will give you notice of any Change to these Terms and you will be bound by any such Change at the time you are served with such notice.

14. ANTI MONEY LAUNDERING

- 14.1 You agree that we may delay, block or refuse to process any transaction without incurring any liability if we suspect that:
- (a) the transaction may breach any laws or regulations in Australia or any other country;
 - (b) the transaction involves any person (natural, corporate or governmental) that is itself sanctioned or is connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by the United Nations, the European Union or any country; or
 - (c) the transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, unlawful conduct.

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14.2 You must provide all information to us which we reasonably require in order to manage money-laundering risk or terrorism-financing risk or economic and trade sanctions risk or to comply with any laws or regulations in Australia or any other country.

14.3 You agree that ANZ may disclose any information concerning you to:

- (a) any law enforcement, regulatory agency or court where required by any such law or regulation in Australia or elsewhere; and
- (b) any correspondent ANZ uses to make payment for the purpose of compliance with any such law or regulation.

14.4 Unless you have disclosed to ANZ that you are acting in a trustee capacity or on behalf of another party, you warrant that you are acting on your own behalf in entering into this agreement.

14.5 You declare and undertake to us that the processing of any transaction by us in accordance with your instructions will not breach any laws or regulations in Australia or any other country.

15. GENERAL PROVISIONS

15.1 Currency

All amounts payable by either party under these Terms will be paid in Australian dollars unless otherwise specified in the Term Sheet for the Series.

15.2 No merger

ANZ's rights under these Terms are additional to and do not merge with or affect and are not affected by any mortgage, charge or other encumbrance held by ANZ or any of your other obligations to ANZ, despite any rule of law or equity or any other statutory provision to the contrary.

15.3 Rounding

All calculations made by ANZ for the purposes of these Terms will be made to not fewer than two decimal places. Other than as provided in these Terms, rounding of numbers will not occur until the final calculation of a relevant amount or number at which time your entitlements will be aggregated and that aggregate will be

rounded so that all money amounts are rounded down to the nearest whole cent and all numbers of Delivery Assets are rounded down to the nearest whole number.

15.4 Certificates

Any document or thing required to be certified by you or ANZ must be certified by you (if an individual) or your director, secretary or authorised officer (if you are a company) or ANZ, as the case requires, or in any other manner that ANZ may approve.

15.5 Execution by attorneys

Each attorney executing the Application Form which binds you to these Terms states that he, she or it has no notice of revocation or suspension of the power of attorney under which the attorney executes the Application Form.

15.6 Power of attorney

You irrevocably appoint ANZ and its nominees and any of their directors, secretaries and managers from time to time jointly and severally as your attorney to do (either in the your name or the attorney's name) all acts and things that you are obliged to do under these Terms or which, in the opinion of ANZ, are necessary or desirable in connection with the Delivery Assets or the protection of ANZ's interests or the exercise of the rights, powers and remedies of ANZ, including without limitation the authority to sell the Delivery Assets on your behalf in accordance with clause 3.4(b).

15.7 Invalid or unenforceable provisions

If a provision of these Terms is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability, and that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

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15.8 Waiver and exercise of rights

A single or partial exercise of a right by ANZ does not preclude another exercise or attempted exercise of that right or the exercise of another right. Failure by ANZ to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

15.9 Assignment and transfer of interests

- (a) ANZ may transfer its rights and obligations under these Terms at any time by giving notice to you (and in the case of ANZ transferring obligations, the power of attorney in clause 15.6 will extend to any novation deed or agreement that ANZ considers desirable to give effect to the transfer of obligations).
- (b) The rights and obligations under these Terms may, with the prior consent of ANZ:
 - (i) be assigned by you; or
 - (ii) be made the subject of any encumbrance, charge, trust or fiduciary obligation.

Any action that purports to do so without the prior consent of ANZ is invalid, void and without effect as between you, ANZ and any third party.

When you deal with a RALI in a manner that does not involve the transfer of legal ownership of the RALI, ANZ has no duty to record the dealing on the Register. Each Beneficial Interest corresponding to a particular RALI will pass to a new Investor upon registration of a transfer of the RALI in the Register. ANZ and the registrar are entitled to rely on the Register as the definitive record of ownership of RALI.

15.10 Recording conversations

You acknowledge that conversations between you and ANZ (or any officer of ANZ) may be tape recorded. You consent to the tape recording and to its use (or any transcript of the recording) in any proceedings that may be commenced in connection with these Terms.

15.11 Calculations and references to dates and times

Calculations or determinations made on or by reference to a particular day, are to be made on or by reference to that day in the place and time zone of Sydney, Australia unless otherwise specified in the Term Sheet for the Series.

15.12 Payments by ANZ

All amounts payable by ANZ under these Terms will be paid to your Nominated Bank Account. If you have not nominated a Nominated Bank Account, payment will be made by ANZ drawing a cheque made payable to you which will be sent to the address provided by you on the Application Form, and on doing so ANZ is discharged of its obligations under these Terms.

15.13 Governing law and jurisdiction

These Terms are governed by the laws of New South Wales. You irrevocably and unconditionally submit to the nonexclusive jurisdiction of the courts of New South Wales and you waive, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

15.14 Time is of the essence

Time is of the essence in respect of your obligations under these Terms.

16.1 Interpretation

- (a) In these Terms, unless the context requires another meaning, a reference:
 - (i) to the singular includes the plural and vice versa;
 - (ii) to a document (including these Terms) is a reference to that document (including any Schedules and Annexures) as amended, consolidated, supplemented, novated or replaced;
 - (iii) to a person (including a party) includes an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency, and it also includes the person's successors, permitted assigns, substitutes, executors and administrators; and

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- (iv) to a law is a reference to that law as amended, consolidated, supplemented or replaced and it includes a reference to any regulation, rule, statutory instrument, by law or other subordinate legislation made under that law, or any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange.
- (b) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (c) Headings are for convenience only and do not affect interpretation.
- (d) If a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day.
- (e) If a period occurs from, after or before a day or the day of an act or event, it excludes that day.
- (f) These Terms may not be construed adversely to a party only because that party was responsible for preparing them.
- (g) Any term not defined in these Terms and which is defined in the IM or Term Sheet relevant to a Series, has the same meaning as in the IM or Term Sheet respectively unless the context otherwise requires.
- (h) All references to time are to time in Sydney, Australia (unless otherwise stated).
- (i) Notwithstanding that certain calculations or determinations in this IM may be expressed to be “on” a certain date, the Issuer may make such calculations or determinations in respect of that date on a date after that date.
- (j) These Terms incorporate, for each Series, the Term Sheet relevant to the Series and in the event of any inconsistency between the Term Sheet and the Terms in relation to a Series, the Term Sheet prevails to the extent of that inconsistency for that Series.

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Capitalised words have the following meaning given to them, unless the context requires otherwise. All reference to clauses are to clauses in the Terms.

“Accretions” means all rights, accretions and entitlements attaching to the Delivery Assets after the Start Date including without limitation, all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, options, units or other financial products exercisable, declared, paid or issued in respect of the Delivery Assets;

“Acceptance Notice” has the meaning given to this item in clause 1.3(c) of the Terms;

“Adjustment Event” means in respect of any of the Reference Asset or Delivery Assets (the “Relevant Asset” for the purpose of this definition) any of the following events:

- (a) where the Relevant Asset is or includes a financial product:
 - (i) the actual or proposed adoption of any procedure, event or action which is or which is likely to result in any cash return of capital, pro-rata cash distribution, capital reduction, liquidator’s distributions, share buy back, bonus issue, rights issue, arrangement, scheme of arrangement, compromise, merger, demerger, reconstruction, compulsory acquisition, redemption, cancellation, replacement, modification, subdivision or consolidation, takeover bid, special dividend, non cash dividend, share split or any other similar or like event (but excludes the payment by the issuer of the Delivery Assets of cash dividends or distributions);
 - (ii) any event which is or which results in the actual or proposed administration, liquidation, winding up or termination of the issuer of the Relevant Asset or other similar or like event (however described); or
 - (iii) any event which is or which results in the actual or proposed de-listing of the issuer of the Relevant Asset or the actual or proposed removal from quotation of the Relevant Asset or the actual or proposed Suspension from trading of the Relevant Asset;
- (b) where the Relevant Asset is or includes an index:
 - (i) the Relevant Asset is suspended or ceases to be published for a period of 24 hours or more;
 - (ii) the Relevant Asset is not calculated and announced by the Index Provider, but is calculated and announced by a successor to the Index Provider;
 - (iii) the Relevant Asset is replaced by a successor index;
 - (iv) the Index Provider or any successor makes a material change in the formula for or method of calculating the Relevant Asset or in any way materially modifies that Relevant Asset; or
 - (v) there is a Suspension or material limitation on trading of securities generally on a Relevant Exchange for a period of 24 hours or more;
- (c) where the Relevant Asset is or includes a Commodity:
 - (i) the Commodity price or the Official Level of the Relevant Asset is suspended or ceases to be available for a period of 24 hours or more;
 - (ii) there is a material change in the method of calculation of the Commodity price or the Official Level of the Relevant Asset;
 - (iii) there is a Suspension or material limitation in trading of the Relevant Asset on any Relevant Exchange or relevant over the counter market for a period of 24 hours or more; or
 - (iv) there is a material change in the content, composition or constitution of the relevant Commodity;
- (d) where the Relevant Asset is or includes an Exchange Rate, trading in the currency pair becomes illiquid or inaccessible or restricted by government policy or law for a period of 24 hours or more;
- (e) where the Relevant Asset is or includes a security:
 - (i) the security is suspended or ceases to

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- be published for a period of 24 hours or more;
 - (ii) there is a Suspension or a material limitation of trading in the security for a period of 24 hours or more; or
 - (iii) there is a material change in the method of calculation of the securities price;
- (f) where the Relevant Asset is or includes a portfolio of securities:
- (i) the securities comprising a material proportion of the portfolio are suspended or cease to be published for a period of 24 hours or more;
 - (ii) there is a Suspension or a material limitation of trading in securities which together comprise a material proportion of the portfolio for a period of 24 hours or more; or
 - (iii) there is a material change in the method of calculation of the securities price in respect of the securities comprising a material proportion of the portfolio;
- (g) where the Relevant Asset is or includes a Reference Rate:
- (i) the Reference Rate is suspended or ceases to be published for a period of 24 hours or more;
 - (ii) the Reference Rate is replaced by a successor Reference Rate using the same or a substantially similar formula and method of calculation; or
 - (iii) the formula for calculating the Reference Rate is materially changed or the method of calculating the Reference Rate in any way materially modifies that Reference Asset;
- (h) where the Relevant Asset is or includes a fund:
- (i) a violation or change of any material terms of the fund's offer documents or other constitutional documents;
 - (ii) the main investment objective of the fund changes to a material extent;
 - (iii) any change in the currency or denomination of the NAV of the relevant class of interests in the fund;
 - (iv) the NAV of an interest in the fund, as calculated by the administrator, not being calculated or announced for any scheduled Fund Business Day within the time period when ANZ would reasonably and ordinarily expect such NAV to be available;
- (v) any restriction or limitation or suspension or deferral of, redemptions of or subscription for interests in the fund (including the introduction or increase of any associated fee, cost or expense), or any mandatory redemption of interests of the fund;
- (vi) a material change in the tax or regulatory environment of the fund, or of the manager, investment manager or investment advisor (each a "Manager") of the fund;
- (vii) a change in asset allocation by the fund, whether in strategy or choice of Manager(s);
- (viii) any review or investigation of the activities of the fund or any of its Managers by a relevant regulator, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action taken by such regulator in consequence thereof;
- (ix) the fund issuer is the beneficial owner of 25% or more of the interests in the fund or a relevant class of interests in the fund
- (x) any Accretion to an interest in the fund arises;
- (xi) any winding-up, liquidation of, or any termination or any loss of regulatory approval, license or registration of, the fund's Manager, or any merger, de-merger, winding-up or liquidation of or affecting the fund; or
- (xii) any arrangement between the issuer of the fund and/or one or more of its Managers, including arrangements relating to subscriptions and redemptions, being changed or terminated;
- (i) where the Reference Asset is an OTC Derivative, any event specified as an event of default in the document(s) governing

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GLOSSARY

the transaction and, where those transactions are not documented, the events of default specified in the industry standardised documents and definitions relevant to that class of OTC Derivative;

- (j) Hedging Disruption, Increased Costs of Hedging, Change in Law or any termination of ANZ's hedging arrangement or the adjustment or change of ANZ's hedging arrangements occurs in such a manner that it is reasonably impracticable for ANZ to adjust or change the Terms (including without limitation the Term Sheet for the Series) to reflect the adjustment or change in the hedging arrangements;
- (k) any actual or proposed event that may reasonably (in ANZ's opinion) be expected to lead to any of the events referred to in paragraphs (a) to (h) above occurring;
- (l) where any force majeure event occurs, or any other event occurs which ANZ determines in good faith in the performance of its obligations having or becoming, in circumstances beyond its reasonable control, impossible, unlawful, illegal or otherwise prohibited (including without limitation any forced or compulsory divestments of Delivery Assets or Reference Assets);
- (m) any circumstances arise which are described in the IM as potentially giving rise to an Adjustment Event; or
- (n) any other event which ANZ reasonably declares to be an Adjustment Event;

"ANZ" means Australia and New Zealand Banking Group Limited (ABN 11 005 357 522, AFSL 234527);

"ANZ Group Members" means ANZ and its related bodies corporate, banking business entities, and controlled entities and "ANZ Group Member" means any of them;

"Application" means an offer by you to ANZ to acquire the Delivery Parcel on a deferred basis on the terms and conditions set out in the Terms;

"Application Amount" means the total amount payable by you to ANZ in consideration for acquiring the Delivery Parcel on the Maturity Date, subject to the Terms, and being an amount equal to your Investment Amount plus

the Application Fee;

"Application Fee" means, for a Series, the "Application Fee" specified in the Term Sheet for that Series;

"Application Form" means the following two application forms:

- (a) in relation to an investor's first RALI investment, the IM Application Form; and
- (b) for each RALI investment applied for, the Term Sheet Application Form;

"ASTC Settlement Rules" means the business rules of the ASX Settlement and Transfer Corporation Pty Limited as approved as the Securities Clearing House under the Corporations Act or any clearing house or other entity which is substituted for it;

"ASX" means Australian Securities Exchange Limited (ABN 98 008 624 691);

"Beneficial Interest" means the beneficial interest in the Portion of Delivery Assets which is part of each RALI;

"Break Costs" means all costs, expenses and losses incurred by ANZ and notified by ANZ as payable by you as a result of:

- (a) the acceleration of the Maturity Date in connection with an Early Maturity;
- (b) the termination or reversal of any arrangements or hedge position entered into by ANZ in connection with any RALI which is terminated early; or
- (c) any loss of profits that ANZ may suffer by reason of the early termination of any RALI;

"Brokerage Fee" means in relation to each series of RALI, the amount set out as the "Brokerage Fee" in the Term Sheet for the Series;

"Business Day" means a day on which Australian banks, the ASX and any financial market to which the Reference Asset relates are open for general business, but does not include a Saturday, Sunday or public holiday;

"Call Event" for a Series (where applicable), has the meaning given in the Term Sheet for the Series;

"Call Event Observation Dates" means, for a Series (where applicable) the "Call Event

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Observation Dates" specified in the Term Sheet for the Series;

"Capital Protection Amount" means, for a Series, the amount (if any) protected at maturity as specified in the Term Sheet for that Series;

"Change" has the meaning attributed to it in clause 13 of the Terms;

"Change in Law" means that on or after the Start Date (a) due to the adoption of or change in any applicable law or regulation (including, without limitation, any tax law) or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with the competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority):

- (i) it has or will become illegal to hold, acquire or dispose of the Delivery Assets, the Reference Asset or the securities or components which make up the Delivery Assets or the Reference Asset or ANZ's hedge; or
- (ii) ANZ will incur a materially increased (as compared with circumstances existing on the Start Date) cost in performing its obligations under this IM and the Term Sheet for a particular Series (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse affect on its tax position).

"CHES" means the clearing house electronic subregister system operated by ASX Settlement Pty Ltd;

"Closing Date" means, for a Series (where applicable), the "Closing Date" specified in the Term Sheet for that Series;

"Commodity" means the "Commodity" (or any equivalent contract to which the Commodity relates) specified in the Term Sheet for that Series;

"Completion" means the completion by you of the deferred purchase of the Delivery Parcel in accordance with clause 3 of the Terms, and "complete" has a corresponding meaning;

"Corporations Act" means the Corporations Act 2001 (Cth) as amended from time to time;

"Costs and Taxes" means any incidental costs or expenses incurred by ANZ (or its nominee) in relation to the transfer of any Delivery Assets to or for your benefit following Completion (whether by way of physical delivery of the Delivery Assets to you or delivery to a nominee of ANZ under the Sale Facility) plus any Taxes and any costs or expenses including brokerage or Taxes incurred by ANZ (or its nominee) under or in connection with the Sale Facility, if applicable or in connection with the payment of the Refund, if applicable;

"Coupon" means, for a Series (where applicable), the "Coupon" specified in the Term Sheet for that Series;

"Coupon Payment Dates" means, for a Series (where applicable), the "Coupon Payment Dates" specified in the Term Sheet for that Series;

"Delivery Assets" means, for a Series, the security or combination of securities specified as the "Delivery Assets" in the Term Sheet for that Series (including the Portion), unless ANZ substitutes all or part of those specified delivery assets with another security or combination of securities quoted and trading on an Australian Exchange in accordance with clause 4.5 or clause 5.1 of the Terms;

"Delivery Asset Price" means, as determined by ANZ in its absolute discretion, either:

- (i) the price paid by ANZ to acquire the Delivery Assets; or
- (ii) the last traded price of the Delivery Assets as reported and disseminated by the ASX at or around 4:15 pm Sydney time on the Trading Day immediately following the Maturity Date (or in the case of an Early Maturity, the Early Maturity Date),

unless it is not possible to determine the price of the Delivery Assets at that time, in which case ANZ may either:

- (iii) nominate another time to determine the Delivery Asset Price; or
- (iv) determine the Delivery Asset Price to be its best estimate of the Delivery Assets value at or around 4:15 pm Sydney time on the Trading Day immediately following the Maturity Date (or in the case of an Early Maturity, the Early Maturity Date);

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“Delivery Parcel” means the number of Delivery Assets to be delivered by ANZ to you on the Settlement Date as determined in accordance with the formula specified in the Term Sheet for the relevant Series;

“Direct Debit Date” means, for a Series, the “Direct Debit Date” specified in the Term Sheet for that Series;

“Early Maturity” means the early maturity of the deferred purchase of the Delivery Assets as determined and completed in accordance with clause 4 of the Terms;

“Early Maturity Date” means the date specified by ANZ as the “Early Maturity Date” in the Early Maturity Notice;

“Early Maturity Event” has the meaning given in clause 4 of the Terms;

“Early Maturity Fee” means a fee equal to a percentage of the Early Maturity Value specified in the Term Sheet for that Series;

“Early Maturity Notice” means the notice provided by ANZ to you notifying you of the occurrence of an Early Maturity Event (if relevant) and that an Early Maturity will take place on the specified Early Maturity Date;

“Early Maturity Value” means, in relation to your holding of a Series, the fair economic value of all of the RALI in that Series registered in your name on the Early Maturity Date as determined by ANZ in its absolute discretion, unless it is not possible to determine the fair economic value of your holding of the RALI at that time in which case ANZ may nominate another time to determine the Early Maturity Value. Without limiting the foregoing, in determining the “Early Maturity Value” ANZ may deduct any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under the Terms, and any cost of funding or any loss of bargain;

“Election Close Time” means the date and time specified in the Election Notice;

“Election Notice” means a notice issued by ANZ in accordance with clause 3.1 of the Terms, or in the event of an Early Maturity, the Early Maturity Notice issued by ANZ under clause 4.4(a) of the Terms;

“Exchange Rate” means the “Exchange Rate” (or any equivalent contract to which the Exchange Rate relates) specified in the Term Sheet for that Series;

“Final Level” means, for a Series, the “Final Level” specified in the Term Sheet for the Series;

“FX Price Source” means the price source(s) specified in the Term Sheet for the relevant Series. If the FX Price Source is unavailable for whatever reason, FX Price Source shall mean, on any day, the mean average amount of the spot rate of exchange quoted to ANZ by each of four foreign exchange dealers selected by ANZ as soon as practicable as determined by ANZ;

“Fund Accretion” means any right, interest or entitlement attaching to any interest in the fund after the Start Date;

“Fund Business Day” in respect of a Reference Asset or Delivery Assets that is an interest in a fund and is identified as such in the Term Sheet for a particular Series, means any day in respect of which (i) the fund calculation agent calculates and publishes the relevant fund interest level or price or NAV and (ii) a notional investor (in the same position as the issuer) holding interests in the fund could purchase and sell or subscribe for and redeem such interests;

“GST” means goods and services tax;

“Hedging Disruption” means a situation where, on or prior to the Maturity Date or any other relevant date, ANZ is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to RALI, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s);

“HIN” means holder identification number;

“IM” means the information memorandum to which the Terms are attached and issued by ANZ in relation to the invitation to invest in RALI;

“IM Application Form” means the application form attached to or accompanying this IM;

“Increased Costs of Hedging” means a situation where, on or prior to the Maturity Date or any other relevant date, ANZ would incur a materially increased (as compared with circumstances existing on the Start Date)

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amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to RALI, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the credit worthiness of the issuer shall not be deemed to be an Increased Cost of Hedging;

“Index Provider” means, for a Series where the Reference Asset is or includes an index, the entity that is responsible for the calculation and dissemination of that index, as specified in the Term Sheet for the Series;

“Initial Level” means, for a Series, the “Initial Level” specified in the Term Sheet for the Series;

“Investment Amount” means, for a Series, the amount invested by you in a Series, being the number of RALI you apply for in that Series multiplied by the Issue Price of that RALI;

“Investment Term” means the term, if any, specified in the Term Sheet for that Series;

“Investor” means the person or entity whose Application is accepted by ANZ in accordance with clause 1 of the Terms;

“Issue Price” means the issue price per RALI specified in the Term Sheet for the Series;

“Lending Facility” means a loan made by a ANZ Group Member to you under which you borrow your Investment Amount (or part thereof) for the purpose of investing in RALI;

“Maturity Date” means, for a Series:

- (i) the scheduled “Maturity Date” specified in the Term Sheet for that Series; or
- (ii) if a Call Event occurs, the accelerated “Maturity Date” determined by ANZ and notified to holders of RALI in the Election Notice issued following the occurrence of a Call Event;

“Maturity Value” means the amount determined by ANZ on the Maturity Date in accordance with the formula specified in the Term Sheet for the relevant Series;

“Minimum Application Amount” means the minimum amount that you can invest in a

Series which is specified in the Term Sheet for that Series;

“NAV” means the net asset value of the fund as published by the fund calculation agent or if none is specified, by or on behalf of the fund (or its manager or administrator);

“Nominated Bank Account” means the transactional banking account held with an Australian bank which is nominated by you in the Application Form completed by you;

“Observation Dates” means for a Series, the “Observation Dates” specified in the Term Sheet for the Series;

“Official Level”, where applicable, means on any day:

- (a) where the Reference Asset for a Series is or includes an index, the official level of the index at 4:15 pm Sydney time on the Relevant Exchange, as published and disseminated by the relevant Index Provider;
- (b) where the Reference Asset for a Series is or includes a Commodity, the “Official Level” specified for that Commodity in the Term Sheet for that Series;
- (c) where the Reference Asset for a Series is or includes an Exchange Rate, the official exchange rate of the relevant currency pair published and disseminated on the FX Price Source at 4:15 pm Sydney time;
- (d) where the Reference Asset for a Series is an exchange traded financial product, the official price of the relevant exchange traded financial product at 4:15 pm Sydney time on the Relevant Exchange upon which that financial product is traded;
- (e) where the Reference Asset for a Series is or includes a Reference Rate, the official rate published and disseminated on the Reference Rate Price Source at 4:15 pm Sydney time; and
- (f) where the Reference Asset for a Series is or includes an asset (not otherwise referred to in (a)-(e) above), the “Official Level” specified for that Series in the Term Sheet for that Series;

“OTC Derivative” means an over the counter financial markets transaction entered into between ANZ and a counterparty;

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GLOSSARY

"Participation Rate" means, for a Series (where applicable), the "Participation Rate" specified in the Term Sheet for the Series. Your Participation Rate for a Series will be confirmed to you in your Acceptance Notice;

"Portion" or "Portion of the Delivery Assets" means:

- (a) where the Delivery Asset is a single security, 0.001 of the Delivery Asset; or
- (b) where the Delivery Asset is a combination of securities, as specified in the Term Sheet for a Series, 0.001 of one of the Delivery Assets, as specified in that Term Sheet;

"Privacy Act" means the Privacy Act 1988 (Cth), the National Privacy Principles contained in schedule 3 to that Act and any regulations, ancillary rules, guidelines, orders, directions, directives or other instrument made or issued under that Act;

"Proscribed Person" means a person who appears to us either:

- (a) to be a proscribed person or entity under the Charter of the United Nations Act 1945 (Cth); or
- (b) to be in breach of the laws of any jurisdiction relating to money-laundering or counter-terrorism; or
- (c) to appear in a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction; or
- (d) to act on behalf, or for the benefit of, a person listed in paragraphs (a) – (c);

"RALI" means the deferred purchase agreement between you and ANZ under which you agree to purchase the Delivery Parcel from ANZ on a deferred basis on the terms and conditions set out in the Terms, the IM and, for each Series, the Term Sheet for that Series;

"Reference Asset" means, for a Series, the "Reference Asset" specified in the Term Sheet for that Series, or any other index, fund, commodity, currency, currency exchange rate, financial product, reference rate, other asset, or combination thereof, substituted in accordance with the Terms;

"Reference Asset Return" means, for a Series (where applicable), the "Reference Asset Return" specified in the Term Sheet for that Series;

"Reference Rate" means the "Reference Rate" (or any equivalent contract to which the Reference Rate relates) specified in the Term Sheet for that Series;

"Reference Rate Price Source" means the price source(s) specified in the Term Sheet for the relevant Series. If the Reference Rate Price Source is unavailable for whatever reason, Reference Rate Price Source shall mean, on any day, the mean (or average) amount of the rate quoted to ANZ by each of four interest rate dealers selected by ANZ as soon as practicable as determined by ANZ;

"Refund" means the amount determined by ANZ in its absolute discretion and by whatever means ANZ deems appropriate. Without limiting the foregoing, in determining the Refund, ANZ may adjust the Refund for any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes and any applicable Early Maturity Fee, Break Costs, administrative costs, costs of unwinding any hedge put in place or position adopted for the purposes of meeting its obligations under the Terms, and any cost of funding or any loss of bargain;

"Relevant Exchange" means in the case of:

- (a) any exchange traded financial product or commodity, the primary exchange upon which that financial product is traded; or
- (b) an index, the primary exchange or trading market upon which the financial products which primarily constitute that index are traded,

(or any successor exchange) as determined in the absolute discretion of the Issuer;

"Register" means the register of holders of RALI to be maintained by the Registry;

"Registry" means ANZ or the registrar appointed by ANZ to act as registrar of the RALI;

"Sale Facility" means the agreement by ANZ or its nominee to sell the Delivery Parcel for and on your behalf, at your direction, and as your agent, on the Settlement Date in accordance with clause 3.4 of the Terms;

SECTION 10
GLOSSARY

“Sale Proceeds” means the proceeds of the sale of the Delivery Parcel obtained by ANZ (or its nominee) on your behalf under the Sale Facility, being an amount equal to the number of Delivery Assets (each including the Portion) sold multiplied by the Delivery Asset Price less any Costs and Taxes and Brokerage Fee applicable to the sale of the Delivery Parcel;

“Series” means a series of RALI, being a number of RALI issued on the same date and the same terms (including those set out in the Term Sheet for that Series);

“Settlement Date” means, for a Series:

- (a) the “Settlement Date” specified in the Term Sheet for that Series; or
- (b) if a Call Event occurs, the accelerated settlement date determined by ANZ and notified to holders of RALI in the Election Notice issued following the occurrence of that Call Event; or
- (c) if there is an Early Maturity under clause 4 of the Terms, the “Settlement Date” specified in the Early Maturity Notice,

or such other date as determined by ANZ in its discretion as being reasonably necessary for ANZ to fulfil its Completion obligations under the Terms;

“Start Date” means, for a Series, the “Start Date” specified in the Term Sheet for that Series;

“Suspension” means any cessation of the trading or quotation of the Reference Asset or Delivery Assets, other than a trading halt on the Relevant Exchange which lasts for less than 2 Business Days;

“Tax” or **“Taxes”** means any income tax, capital gains tax, goods and services tax, withholding tax, stamp duties, financial institutions, registration and other duties, bank accounts debits tax and other related taxes, levies, imposts, deductions, interest, penalties and charges payable by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of, or the completion of the purchase and sale of a Delivery Asset or payment of any amount by ANZ (or its nominee) under the Terms;

“Terms” means the terms and conditions of deferred sale (including, for each Series, the Term Sheet for the Series) on which you agree to acquire the Delivery Parcel from ANZ as set out in this section 9 of the IM, as amended from time to time;

“Term Sheet” means, for a Series, the document headed “Term Sheet”;

“Term Sheet Application Form” means the application form attached to or accompanying the Term Sheet for the relevant Series;

“Trading Day” has the meaning given in the ASX Market Rules; and

“you” means the person who completes an Application Form and lodges it with ANZ, or the Investor, as the context requires and “your” has a corresponding meaning.

SECTION 11

APPLICATION FORM

APPLICATIONS

If you wish to apply for a Series of RALI, you must complete the Term Sheet Application Form (attached to or accompanying the Term Sheet for the Series you are applying for) and when you make your first RALI application you must also complete the IM Application Form (attached to or accompanying this IM). These completed application forms must be returned to ANZ.

BEFORE APPLYING

The Minimum Application Amount is specified in the Term Sheet for the Series. ANZ reserves the right not to accept Applications below this minimum amount.

The Application Amount may be paid by cheque, bank cheque or direct debit request. Please note that cash cannot be accepted.

ANZ may, in its absolute discretion refuse or reject any Application (wholly or in part) without giving a reason. If your Application is rejected, ANZ will return your Application Amount (without interest) to you.

Application Amounts must be received on or prior to 10:00 am on the Direct Debit Date. ANZ also reserves the right to extend an offer or at any time to close an offer early.

Within 10 Business Days of the Start Date, ANZ will send you a notice acknowledging either the acceptance or rejection of your offer. Where accepted, the notice (the "Acceptance Notice") will confirm that your application was successful and the details of your investment.

You will not be entitled to any interest earned on your Application Amount. Any interest earned on this account will be retained by ANZ.

HOW TO COMPLETE THE IM APPLICATION FORM

Please complete the IM Application Form in BLOCK LETTERS in accordance with the instructions set out in the IM Application Form. You should return your signed and completed IM Application Form to ANZ. You should read this IM and the Term Sheet for the Series that you are applying for before completing the IM Application Form and the Term Sheet Application Form (as applicable).

SECTION 12

CORPORATE DIRECTORY

ISSUER

Australia and New Zealand Banking
Group Limited
Level 1, 20 Martin Place
Sydney
NSW, 2000

LEGAL ADVISERS

Freehills
Level 32, MLC Centre
Martin Place,
Sydney
NSW 2000

TAX ADVISERS

Greenwoods & Freehills Pty Ltd
Level 39, MLC Centre
Martin Place,
Sydney
NSW 2000

For more information, contact ANZ Equities:

Phone: 1800 204 693

Email: equitysolutions@anz.com

Website: www.anz.com/markets/equities

INVESTMENT DECISIONS (CONTINUED)

No person is authorised to give any information or make any representation in connection with an investment in RALI which is not contained in this IM or the Term Sheet for the relevant Series. Any information or representation not contained in the IM may not be relied upon as being authorised by ANZ or any person associated with it in connection with an investment in RALI.

No cooling off rights apply in respect of a purchase of RALI.

JURISDICTION AND SELLING RESTRICTIONS

RALI are only available to Wholesale Clients receiving the IM and Term Sheet (including electronically) within Australia. This IM does not constitute an offer or invitation in relation to RALI in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this IM outside Australia may be restricted by laws of places where it is distributed and therefore persons into whose possession this IM comes (including nominees, trustees or custodians) should seek advice on and observe those restrictions. Failure to comply with relevant restrictions may violate those laws.

You, as a recipient of this IM, represent and warrant that you are and at all times will be a Wholesale Client.

ANZ does not guarantee or make any representation or warranty as to, or take responsibility for, the accuracy, reliability or completeness of the information contained in this IM. Nothing contained in this IM is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or the future.

If you are considering an investment in RALI, you should note the warranties and representations included in clause 10 of the Terms and the Term Sheet Application Form.

This IM is confidential and is for the sole use of RALI prospective investors and their advisers. It must not be provided to any other party without the written consent of ANZ, which may be withheld in its absolute discretion.

This IM, along with the Series Term Sheet, contain information that is confidential to ANZ. By receiving and retaining these documents, you acknowledge the confidential nature of the information and agree to maintain the information on a confidential basis.

CAPITALISED TERMS

Certain capitalised words and expressions used in this IM are defined in section 10 of the IM. All references to dollar amounts in this IM are to Australian dollars, unless otherwise stated.

THE ROLE OF ANY INDEX PROVIDER AND ETF ISSUER

Where the Reference Asset is or includes an index or an interest in an exchange traded fund (ETF), neither the Index Provider nor the ETF issuer respectively have had involvement in this IM.

Any trade marks associated with the index or ETF have not been licensed for use as a trade mark by the Issuer and are not intended to be used as trade marks in this IM.

RALI is not sponsored, endorsed, sold or promoted by the Index Provider or and ETF issuer or the securities exchange on which the index or ETF security is quoted, and there is no representation, condition or warranty, express or implied, to the owners of the RALI or any member of the public from the Index Provider or ETF issuer or the securities exchange regarding the advisability of investing in financial products generally or in the RALI particularly or the ability of the Index Provider or the ETF to track stock market performance generally or for a sector.

The Index Provider, the ETF issuer and the securities exchange have no obligation to take the needs of the Issuer or the owners of RALI into consideration in determining, composing or calculating the index or the ETF. The Index Provider, the ETF issuer and the securities exchange are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of RALI to be issued or in the determination or calculation of the equation by which RALI is to be converted into cash. The Index Provider, the ETF issuer and the securities exchange have no obligation or liability in connection with the administration, marketing or trading of RALI.

The Index Provider and the securities exchange shall obtain information for inclusion in or for use in the calculation of the index from sources that they consider reliable, but they accept no responsibility for, and shall have no liability for, any errors, omissions or interruptions therein. The Index Provider and the securities exchange do not guarantee the accuracy and/or the completeness of the index or any data included therein or with respect to any use thereof by the parties or any third party. The Index Provider and the securities exchange make no warranty, express or implied, as to the results to be obtained by any person or entity from the use of the indices or any data included therein. The Index Provider and the securities exchange make no express or implied warranties and expressly disclaim all conditions and warranties implied by statute, general law or custom with respect to the index or any data included therein except any implied condition or warranty the exclusion of which would contravene any statute or cause any part of this section to be void.

