

Dated 25 October 2022

Second Australian Deed Poll

being a deed poll made by, and in relation to the
\$100,000,000 Global Registered Covered Bond Program of,
The Bank of Nova Scotia

in favour of

Each person who is from time to time a Holder, and the Bond Trustee

The Issuer is registered in Australia as a "Foreign Company (Overseas)" and is a foreign "authorised deposit-taking institution" (foreign ADI) as that term is defined under the Banking Act 1959 of Australia (Banking Act) in the category of a "Branch of a Foreign Bank". As a foreign ADI, the Issuer is regulated by the Australian Prudential Regulation Authority (APRA) in accordance with the Banking Act. However the depositor protection provisions of Division 2 of Part II of the Banking Act do not apply to the Issuer. The Issuer's indebtedness in respect of the Australian Covered Bonds is affected by applicable laws which include (but are not limited to) section 11F of the Banking Act and section 86 of the Reserve Bank Act 1959 of Australia (Reserve Bank Act).

Section 11F of the Banking Act provides that, in the event that the Issuer (whether in or outside Australia) suspends payment or becomes unable to meet its obligations, the assets of the Issuer in Australia are to be available to meet its liabilities in Australia in priority to all other liabilities of the Issuer. Section 86 of the Reserve Bank Act provides that, notwithstanding anything contained in any law relating to the winding-up of companies, but subject to subsection 13A(3) of the Banking Act (which does not apply to the Issuer as a foreign ADI), debts due to the Reserve Bank of Australia by an authorised deposit-taking institution (ADI) (including a foreign ADI) shall, in the winding-up of the Issuer, have priority over all other debts of the Issuer.

The Australian Covered Bonds are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia.

Australian Covered Bonds that are offered for issue or sale or transferred in, or into, Australia are offered only in circumstances that would not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia.

The Australian Covered Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (Securities Act), and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons (within the meaning of Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

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Our ref: 4045396

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Second Australian Deed Poll dated 25 October 2022

Made by **The Bank of Nova Scotia
(Issuer)**

in favour of Each person who is from time to time a Holder, and the Bond Trustee, who holds the benefit of this deed poll on trust for itself and the Holders pursuant to the Trust Deed

Introduction

- A** The Issuer has established a global registered covered bond program (**Program**) pursuant to which the Issuer may, from time to time, issue Covered Bonds.
- B** The Issuer proposes to issue Covered Bonds in registered uncertificated form in the Australian domestic wholesale capital market under the Program, from time to time, to be known as **Australian Covered Bonds**.
- C** The Australian Covered Bonds issued by the Issuer on or after the date of this deed poll, will have the benefit of, and be constituted by, this deed poll.
- D** The Issuer, the Guarantor and the Bond Trustee have amended the Trust Deed on the date hereof by entering into a trust deed amending agreement dated the date hereof (as so amended, the **Trust Deed**) to amend the terms and conditions of the Program applicable to the Australian Covered Bonds in Schedule 7 to the Trust Deed, and to amend the program terms applicable to the Australian Covered Bonds in Schedule 8 to the Trust Deed, in each case as supplemented, modified or replaced by the applicable Pricing Supplement in relation to those Australian Covered Bonds.
- E** The Holders also have the benefit of, and are subject to, certain provisions set forth in the Trust Deed.

The Issuer declares

1 Definitions and interpretation

1.1 Incorporation of other defined terms

A term which has a defined meaning in the Terms and Conditions has the same meaning when used in this deed poll unless it is expressly defined in this deed poll, in which case the meaning in this deed poll prevails.

1.2 Definitions

In this deed poll, **Terms and Conditions** means, in respect of an Australian Covered Bond, the terms and conditions set out in the Schedule to this deed poll as replaced, modified and/or supplemented by the relevant Pricing Supplement.

1.3 References to certain general terms

Unless the contrary intention appears, a reference in this deed poll to:

- (1) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (2) a document (including this deed poll) includes any variation or replacement of it;
- (3) a “law” means common law, principles of equity and laws made by any parliament (and laws made by parliament include any regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (4) a “directive” means a treaty, an official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (5) “Australian dollars” or “A\$” is a reference to the lawful currency of Australia and “Canadian dollars” or “\$” is a reference to the lawful currency of Canada;
- (6) a time of day is a reference to Sydney time;
- (7) the word “person” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (8) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (9) a “party” is a reference to a party to this deed poll;
- (10) a reference to the “Corporations Act” is to the *Corporations Act 2001* (Cth) of Australia;
- (11) anything (including any amount) is a reference to the whole and each part of it; and
- (12) the words “including”, “for example” or “such as” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

1.4 **References to principal and interest**

Unless the contrary intention appears, in this deed poll references to principal, interest and/or the principal amount of an Australian Covered Bond have the same meaning as in the Terms and Conditions applicable to that Australian Covered Bond.

1.5 **Number**

The singular includes the plural and vice versa.

1.6 **Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this deed poll.

1.7 **Relationship with the Trust Deed**

This deed poll supplements, and is ancillary to, the Trust Deed. Unless expressly provided otherwise in this deed poll, in the event of any inconsistency between the provisions of this deed poll and the provisions of the Trust Deed, or where compliance with a provision of this deed poll would prevent compliance with a provision of the Trust Deed, the provisions of this deed poll will prevail.

2 **The Australian Covered Bonds**

2.1 **Creation of Australian Covered Bonds**

- (1) The obligations of the Issuer under the Australian Covered Bonds are constituted by, and are owing under, this deed poll.
- (2) Each Australian Covered Bond will be issued in uncertificated registered form and evidenced by entry in the Australian Register.

2.2 **Undertakings**

The Issuer unconditionally and irrevocably undertakes for the benefit of, each Holder and the Bond Trustee, for the benefit of each Holder, to:

- (1) make payments of principal and interest and any other amounts that may be payable in respect of each Australian Covered Bond held by the relevant Holder, as and when the Issuer is required to make those payments in accordance with the Terms and Conditions; and
- (2) observe, fulfil and comply with those provisions of:
 - (a) this deed poll;
 - (b) the Trust Deed;
 - (c) the Program Terms; and
 - (d) the Terms and Conditions,

which are expressed to be binding on it and to perform and observe the same.

2.3 Compliance with laws

The Issuer may only issue Australian Covered Bonds if:

- (1) where the offer or invitation is made in, or into, Australia:
 - (a) the aggregate consideration payable to the Issuer by the relevant subscriber is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates to the subscriber) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act; and
 - (b) the offer or invitation (including any resulting issue) does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
- (2) at all times, the offer or invitation (including any resulting issue) complies with all applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place.

2.4 Appointment of Australian Agent

The Issuer undertakes to appoint the Australian Agent under the Supplemental Agency Agreement and to ensure that the Australian Agent establishes and maintains during its term of appointment an Australian Register in New South Wales (or such other place in Australia outside South Australia as the Issuer and the Australian Agent may agree).

3 Rights and obligations of Holders

3.1 Proceedings, action and indemnification

- (1) The Bond Trustee may take action to enforce the provisions of this deed poll in the manner and circumstances provided for in the Trust Deed. However, the Bond Trustee shall not be bound to take any such enforcement proceedings except as specified in the Trust Deed.
- (2) Subject as provided herein and in the Trust Deed, only the Bond Trustee may enforce the provisions of this deed poll. No Holder shall be entitled to proceed directly against the Issuer or the Guarantor to enforce the performance of any of the provisions of this deed poll unless the Bond Trustee, having become bound as aforesaid to take proceedings, fails to do so within 30 days and such failure is continuing (in which case such Holder shall be entitled to take any such steps and proceedings as it will deem necessary (other than the presentation of a petition for the winding up of, or for an administration order in respect of, the Issuer or the Guarantor) and in accordance with the Trust Deed).

3.2 Benefit and entitlement

This document is executed as a deed poll. Each Holder and the Bond Trustee has the benefit of, and, subject to clause 3.1 (*Proceedings, action and indemnification*), the other provisions of this deed poll, and the Trust Deed, is entitled to enforce this deed poll even though it is not a party to this deed poll, or is not in existence at the time this deed poll is executed and delivered.

3.3 Rights independent

Each Holder may enforce its rights under this deed poll severally and independently from each other Holder and any other person.

3.4 Holders bound

The Australian Covered Bonds are issued subject to, and on the condition that, the Bond Trustee and each Holder (and any person claiming through or under a Holder) is taken to have notice of, and be bound by, this deed poll, the Trust Deed, the Program Terms and the Terms and Conditions and any other arrangements concerning the Australian Covered Bonds as are applicable to the Holders or the Bond Trustee (as appropriate) as specified in the relevant Pricing Supplement.

3.5 Directions to hold deed poll

Each Holder is taken to have irrevocably:

- (1) instructed the Issuer that the original of this deed poll (or if otherwise determined by the Issuer, a certified copy) is to be delivered to and held by the Australian Agent; and
- (2) appointed and authorised the Australian Agent to hold the original of this deed poll (or if otherwise determined by the Issuer, a certified copy) in New South Wales (or such other place in Australia as the Issuer and the Australian Agent may agree) on its behalf.

3.6 Copies of documents to Holders

If a Holder requires a copy of this deed poll in connection with any proceeding brought by that Holder before a court, authority, commission or arbitrator in relation to its rights in connection with an Australian Covered Bond, it may request a copy from the Australian Agent. If the Australian Agent receives a request, it must give the Holder a copy of this deed poll (or ensure that the Holder is given a copy of this deed poll) within 14 days after receiving the request.

3.7 Holders' acknowledgements to Austraclear and Australian Agent

Where Austraclear is recorded in the Australian Register as the Holder, each person in whose Security Record (as defined in the Austraclear Regulations) an Australian Covered Bond is recorded is deemed to acknowledge in favour of the Australian Agent and Austraclear that:

- (1) the Australian Agent's decision to act as the registrar of the Australian Covered Bonds does not constitute a recommendation or endorsement by the Australian Agent or Austraclear in relation to the Australian Covered Bonds, but only indicates that the Australian Covered Bonds are considered by the Australian Agent to be compatible with the performance by it of its obligations as registrar under the Supplemental Agency Agreement; and
- (2) such person does not rely on any fact, matter or circumstance contrary to clause 3.7(1).

3.8 Meetings Provisions

The provisions relating to meetings of Holders are set out in the Trust Deed and shall apply to all holders of Australian Covered Bonds.

4 Substitution and addition of Issuer

If a Subsidiary is substituted in place of the Issuer as the principal debtor under the Trust Deed, this deed poll, the Australian Covered Bonds, and the Trust Deed in accordance with the provisions referred to in Section 21.3 (*Substitution*) of the Trust Deed:

- (1) such Subsidiary shall be deemed to have been substituted for the Issuer as Issuer under this deed poll;
- (2) the Issuer shall be released from its obligations as Issuer under this deed poll and the Australian Covered Bonds; and
- (3) the Issuer undertakes to guarantee the obligations of the Subsidiary under this deed poll and the Australian Covered Bonds.

5 Notices

5.1 Address for notices

All notices and other communications to the Issuer hereunder shall be made in writing and must be sent to the address, email address or fax number of the Issuer as set out in below in this clause 5.1 (*Address for notices*) or to such other address, email address or fax number or for the attention of such other person or department as the Issuer has notified to the Holders in the manner prescribed for the giving of notices in connection with the Australian Covered Bonds.

The Bank of Nova Scotia

Address: Scotia Plaza
44 King Street West
Toronto, Ontario
Canada M5H 1H1

Fax: +1 416 945 4001

Email: darren.potter@scotiabank.com

Attention: Daren Potter

5.2 Effectiveness

Every notice or other communication sent in accordance with clause 5.1 (*Address for notices*) shall be effective upon receipt by the Issuer provided, however, that any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Issuer.

6 Governing law

6.1 Governing law

This deed poll is governed by the law in force in New South Wales, Australia.

6.2 Jurisdiction

- (1) The Issuer irrevocably agrees that the courts of the New South Wales, Australia are to have jurisdiction to settle any disputes which may arise out of or in

connection with this deed poll and accordingly any suit, action or proceedings (*Proceedings*) arising out of or in connection with this deed poll may be brought in such courts. The Issuer irrevocably waives any objection which it may have to the laying of the venue of any Proceedings in any such courts and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the courts of New South Wales, Australia shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction. Nothing contained in this clause shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

- (2) The Issuer irrevocably and unconditionally:
 - (a) agrees not to claim any immunity from Proceedings brought against it in relation to this deed poll and to ensure that no such claim is made on its behalf;
 - (b) consents generally to the giving of any relief or the issue of any process in connection with those Proceedings; and
 - (c) waives all rights of immunity in respect of it or its assets.

6.3 **Serving documents**

Without preventing any other method of service, any document in any court action in connection with this deed poll may be served on the Issuer by being delivered or left for the Issuer with its process agent referred to in clause 6.4 (*Process Agent*).

6.4 **Process Agent**

- (1) For as long as any Australian Covered Bonds are outstanding, the Issuer, acting through its Toronto Branch, agrees that The Bank of Nova Scotia, acting through its Sydney Branch (ABN 34 133 513 827) of Suite 2, Level 44, 1 Farrer Place, Governor Phillip Tower, Sydney, NSW 2000, Australia will accept service of process on its behalf in New South Wales, Australia in respect of any proceedings. In the event that agent ceases to be able to act as such, the Issuer will promptly appoint another agent to accept such service of process in New South Wales, Australia and promptly notify the Holders of such appointment.
- (2) The Issuer agrees that:
 - (a) service of documents on any person appointed under this clause 6.4 will be sufficient service upon it;
 - (b) a failure by any such person to give notice of such service or process to the Issuer shall not impair the validity of such service or of any judgment based thereon; and
 - (c) nothing in this deed poll shall affect the right to serve process in any other manner permitted by law.

6.5 **Prohibition and enforceability**

- (1) Any provision of, or the application of any provision of, this deed poll, or any right, power, authority, discretion or remedy conferred on any person by this deed poll which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.

- (2) Any provision of, or the application of any provision of, this deed poll which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

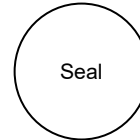
6.6 **Variation**

Subject to the terms of Sections 21.2 (*Modification*) and 21.5 (*Rating Agency Condition*) of the Trust Deed, the Issuer may vary any term of this deed poll or the Terms and Conditions applicable to any Australian Covered Bonds by executing a supplemental deed poll setting out the variation, but any such variation which affects any Australian Covered Bonds already in issue or the rights or obligations of the Bond Trustee and/or any Holder in respect of any Australian Covered Bond already in issue shall (unless the applicable Terms and Conditions or the Trust Deed permit such variation without such consent) require the prior consent of the Bond Trustee and the Guarantor which may only be given in accordance with the provisions of the Trust Deed.

Executed as a deed poll and delivered on the date shown on the first page.

Issuer

SIGNED, SEALED AND DELIVERED)
by **THE BANK OF NOVA SCOTIA** in)
the presence of:)



"Genevieve Maurel")
.....)
Signature of witness)

"Darren Potter")
.....)
Signature of authorised signatory)

Genevieve Maurel, Director,)
Term Funding & Capital Management)
.....)
Name of witness)

Darren Potter, Managing Director,)
Term Funding & Capital Management)
.....)
Name of authorised signatory)

.....)
Signature of authorised signatory)

.....)
Name of authorised signatory)

Schedule 1

Terms and Conditions

The following are the Terms and Conditions which, as supplemented, modified or replaced by the applicable Pricing Supplement, apply in respect of Australian Covered Bonds.

TERMS AND CONDITIONS OF THE AUSTRALIAN COVERED BONDS

*The following are the terms and conditions of the Australian Covered Bonds (the "**Terms and Conditions**" or the "**Conditions**"), which as supplemented, modified or replaced in relation to any Australian Covered Bonds by the applicable Pricing Supplement in relation to any Tranche of Australian Covered Bonds, will be applicable to each Series of Australian Covered Bonds issued under the Australian Deed Poll unless otherwise specified in the applicable Pricing Supplement. To avoid doubt these Terms and Conditions do not apply to any other Covered Bonds.*

These Terms and Conditions apply to those Covered Bonds, known as "**Australian Covered Bonds**", which are issued in registered uncertificated (or inscribed) form by The Bank of Nova Scotia (the "**Issuer**" or the "**Bank**") as part of the Issuer's Global Registered Covered Bond program (the "**Program**") and are constituted by the Deed Poll made by the Issuer dated 25 October 2022 (such deed poll as modified and/or supplemented and/or restated from time to time, the "**Australian Deed Poll**"). The Australian Covered Bonds are also issued with the benefit of, and subject to, the "**Program Terms**" set out in the Information Memorandum (as defined below).

The Australian Covered Bonds take the form of entries in a register (the "**Australian Register**") established and maintained by BTA Institutional Services Australia Limited (ABN 48 022 916 396) (or such other registrar as is specified in the applicable Pricing Supplement or appointed in accordance with the Terms and Conditions or the Agency Agreement (defined below)) (the "**Australian Agent**") in Sydney, New South Wales, Australia or such other place in Australia as is agreed between the Issuer and the Australian Agent.

The Holders of the Australian Covered Bonds (as defined below) have the benefit of and are subject to:

- (a) a fifth amended and restated trust deed dated 6 October 2022 (such trust deed as amended, supplemented or replaced, the "**Trust Deed**") made between the Issuer, Scotiabank Covered Bond Guarantor Limited Partnership as guarantor (the "**Guarantor**") and Computershare Trust Company of Canada, as bond trustee (in such capacity, the "**Bond Trustee**" which expression shall include any successor as bond trustee); and
- (b) an agency agreement dated as of 6 October 2022 (such agency agreement as amended, replaced or supplemented (including as supplemented by the Supplemental Agency Agreement (as defined below)), the "**Agency Agreement**") and made between the Issuer, the Guarantor, the Bond Trustee, Citibank N.A., London Branch and the other agents named therein and supplemented in relation to the Australian Covered Bonds by a supplemental agency agreement dated as of 6 October 2022 in respect of Australian Covered Bonds (the "**Supplemental Agency Agreement**") made between the Issuer and the Australian Agent pursuant to which the Australian Agent has been appointed to act as registrar and issuing and paying agent in respect of Australian Covered Bonds and, for greater certainty, pursuant to which it is confirmed that the other registrars, issuing agents, paying agents, transfer agents, exchange agents and calculation agents named therein do not act in any capacity in relation to the Australian Covered Bonds.

The Pricing Supplement may specify any other agency agreement that applies to Australian Covered Bonds issued by the Issuer.

In respect of any Australian Covered Bonds, references herein to these "Terms and Conditions" are to these terms and conditions as supplemented or modified or (to the extent thereof) replaced by the Pricing Supplement and any reference herein to a "**Condition**" is a reference to the relevant Condition of the Terms and Conditions of the relevant Australian Covered Bonds.

The Bond Trustee acts for the benefit of the holders for the time being of the Australian Covered Bonds (the "**Holders**" or "**Holders of the Australian Covered Bonds**", which expression shall, in relation to any Australian Covered Bonds, mean the persons whose names are for the time being entered in the Australian Register as the Holders of the Australian Covered Bonds (notwithstanding that such person may be the operator of a clearing system who holds the Australian Covered Bonds on behalf of the accountholders in that system)) and for holders of each other series of Covered Bonds in accordance with the provisions of the Trust Deed.

As used herein, "**Tranche**" means Australian Covered Bonds which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Australian Covered Bonds together with any further Tranche or Tranches of Australian Covered Bonds which are (i) expressed to be consolidated and form a single series, and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Guarantor has, in the Trust Deed, irrevocably and unconditionally guaranteed payment of Guaranteed Amounts in respect of the Australian Covered Bonds as and when the same will become Due for Payment, but only after service of a Notice to Pay on the Guarantor following service of an Issuer Acceleration Notice on the Issuer (after the occurrence of an Issuer Event of Default) or service of a Guarantor Acceleration Notice on the Guarantor (after the occurrence of a Guarantor Event of Default) and subject to the applicable Priorities of Payments. The recourse of the Holders of the Australian Covered Bonds to the Guarantor under the Covered Bond Guarantee will be limited to the Charged Property and will be subject to the applicable Priorities of Payments.

The security for the obligations of the Guarantor under the Covered Bond Guarantee and the other Transaction Documents to which it is a party has been created in and pursuant to, and on the terms set out in, an amended and restated security agreement dated 24 September 2013 and made between the Guarantor, the Bond Trustee, and certain other Secured Creditors (such security agreement as amended and/or supplemented and/or restated from time to time, the "**Security Agreement**"). The obligations of the Guarantor are secured against the Charged Property and recourse against the Guarantor is limited to the Charged Property and is subject to the applicable Priorities of Payments.

These Terms and Conditions include summaries of, and are subject to, certain provisions of the Trust Deed, the Australian Deed Poll, the Security Agreement and the Agency Agreement and the other Transaction Documents.

Copies of the Trust Deed, the Australian Deed Poll, the Security Agreement, the Master Definitions and Construction Agreement (as defined below), the Agency Agreement, the Information Memorandum, the Program Prospectus and each of the other Transaction Documents (other than the Program Agreement and any subscription agreements) are available for inspection during normal business hours at the registered office for the time being of the Australian Agent. Copies of the applicable Pricing Supplement of all Australian Covered Bonds of each Series (including in relation to unlisted Australian Covered Bonds of any Series) are obtainable during normal business hours of the specified office of the Australian Agent, by any Holder of the Australian Covered Bonds or person in whose security record the Australian Covered Bonds are credited within the Austraclear System (a "**Relevant Account Holder**") subject to producing evidence satisfactory to the Issuer and the Bond Trustee or, as the case may be, the Australian Agent as to its holding of each Australian Covered Bond and identity. The Holders of the Australian Covered Bonds are deemed to have notice of, are bound by, and are entitled to the benefit of, all the provisions of, and definitions contained in, the Trust Deed, the Australian Deed Poll, the Security Agreement, the Master Definitions and Construction Agreement, the Agency Agreement, each of the other Transaction Documents (other than any dealer agreements and any subscription agreements) and the applicable Pricing Supplement.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Terms and Conditions shall bear the meanings given to them in the Trust Deed, the applicable Pricing Supplement

and/or the sixth amended and restated Master Definitions and Construction Agreement made between the parties to the Transaction Documents on 6 October 2022 (as the same may be amended and/or supplemented and/or restated from time to time, the “**Master Definitions and Construction Agreement**”), a copy of each of which may be obtained as described above.

*Text included in these Terms and Conditions in italics is included for information purposes only and does not form part of these Terms and Conditions. Further information in relation to the Australian Covered Bonds and the Program may be found in the Information Memorandum dated 25 October 2022 (the “**Information Memorandum**”) and the Program prospectus dated 6 October 2022 (the “**Program Prospectus**”), which is annexed to and deemed to be incorporated in, and form part of, the Information Memorandum.*

1. Form, Denomination and Title

Australian Covered Bonds are issued in registered form by entry in the Australian Register and will not be serially numbered, unless otherwise agreed between the Issuer and the Australian Agent. No certificate or other evidence of title will be issued by or on behalf of the Issuer to evidence title to an Australian Covered Bond unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable Law or regulation.

Each entry in the Australian Register constitutes a separate and individual acknowledgement to the Bond Trustee on behalf of, and to, the relevant Holder of the indebtedness of the Issuer to the relevant Holder. The obligations of the Issuer in respect of each Australian Covered Bond constitute separate and independent obligations which the Holder to whom those obligations are owed and the Bond Trustee are entitled to enforce in accordance with (and subject to) these Conditions, the Trust Deed and the Australian Deed Poll without having to join any other Holder or any predecessor in title of a Holder.

For the purposes of the Bank Act, the main branch of the Bank located at its executive offices in Toronto shall be the branch of account for the deposits evidenced by the Australian Covered Bonds.

The Australian Covered Bond is a Fixed Rate Australian Covered Bond or a Floating Rate Australian Covered Bond, depending on the Interest Basis specified in the applicable Pricing Supplement.

Australian Covered Bonds are issued in the Specified Denominations specified in the Pricing Supplement.

The Australian Covered Bonds are denominated in Australian dollars.

Title to Australian Covered Bonds passes upon entry of the transfer in the Australian Register. The Issuer shall procure that the Australian Agent keep a register or registers in which shall be entered the names and addresses of the Holders of Australian Covered Bonds and particulars of the Australian Covered Bonds held by them, together with such other details as are required to be shown on the Australian Register by, or for the effective operation of, these Terms and Conditions, by the Agency Agreement, by Law or which the Issuer and Australian Agent determine should be shown in the Australian Register.

The Australian Covered Bonds are debt obligations of the Issuer owing under the Australian Deed Poll and take the form of entries in the Australian Register. The Holders of Australian Covered Bonds also have the benefit of, and are subject to, certain provisions set forth in the Trust Deed. Each entry in the Australian Register constitutes a separate and individual acknowledgment to the Bond Trustee on behalf of, and to, the relevant Holder of Australian Covered Bonds of the indebtedness of the Issuer to the relevant Holder of Australian Covered Bonds.

The obligations of the Issuer to the Bond Trustee and each Holder of Australian Covered Bonds constitute separate and independent obligations which the Bond Trustee (or a Holder of Australian Covered Bonds in certain circumstances set out in the Trust Deed), is entitled to enforce in accordance with (and subject to)

these Terms and Conditions, the Trust Deed and the Australian Deed Poll, without having to join any other Holder or any predecessor to title of a Holder.

Entries in the Australian Register in relation to an Australian Covered Bond constitute conclusive evidence that the person so entered is the registered owner of the Australian Covered Bond subject to rectification for fraud and error. No Australian Covered Bond will be registered in the name of more than four persons or in the name of an unincorporated association. Australian Covered Bonds registered in the name of more than one person are held by those persons as joint tenants.

Australian Covered Bonds will be registered by name only without reference to any trusteeship. The person registered in the Australian Register as a Holder of an Australian Covered Bond will be treated by the Issuer, the Bond Trustee and the Australian Agent as the absolute owner of that Australian Covered Bond and none of the Issuer, the Bond Trustee or the Australian Agent will, except as ordered by a court of competent jurisdiction or as required by Law, be obliged to take notice of any other claim to an Australian Covered Bond.

Upon a person acquiring title to any Australian Covered Bond by virtue of becoming registered as the Holder of that Australian Covered Bond, all rights and entitlements arising by virtue of the Australian Deed Poll, the Trust Deed, the Security Agreement, the Agency Agreement and each of the other Transaction Documents (except as otherwise required by applicable Law or regulatory requirement) in respect of that Australian Covered Bond vest absolutely in the registered owner of the Australian Covered Bond, such that no person who has previously been registered as the owner of the Australian Covered Bond has or is entitled to assert against the Issuer, the Bond Trustee or the Australian Agent or the registered Holder of the Australian Covered Bond for the time being and from time to time any rights, benefits or entitlements in respect of the Australian Covered Bond.

2. Transfer of Australian Covered Bonds

An Australian Covered Bond may, upon the terms and subject to these Terms and Conditions, terms and conditions set forth in the Agency Agreement and as required by Law, be transferred in whole but not in part in accordance with this Condition 2 (Transfer of Australian Covered Bonds). Unless lodged in Austraclear System, the Australian Covered Bonds will be transferable by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Australian Agent. Each transfer and acceptance form must be accompanied by such evidence (if any) as the Australian Agent may require to prove the title of the transferor or the transferor's right to transfer the Australian Covered Bond and be signed by both the transferor and the transferee. Any such transfer will be subject to such reasonable regulations as the Issuer and the Australian Agent may from time to time prescribe (the initial such regulations being set out in the Supplemental Agency Agreement). Interests in Australian Covered Bonds entered in the Austraclear System will be transferable only in accordance with the Austraclear Regulations.

The transferor of an Australian Covered Bond is deemed to remain the Holder of that Australian Covered Bond until the name of the transferee is entered in the Australian Register in respect of that Australian Covered Bond. Transfers will not be registered later than eight calendar days prior to the maturity date of the Australian Covered Bond.

Australian Covered Bonds may only be transferred if:

- (a) in the case of any offer or issue made in, or into, Australia:
 - (i) the offer or invitation giving rise to the transfer is for an aggregate consideration payable to the transferor by the relevant transferee of at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the transferor or its associates to the transferee) or the offer or invitation (including any resulting transfer) does

not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act; and

- (ii) the offer or invitation giving rise to the transfer does not constitute an offer or invitation to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
- (b) the transfer complies with all other applicable laws, regulations or directives (including, without limitation, the laws of the jurisdiction in which the transfer takes place).

A transfer to an unincorporated association is not permitted.

Transfers will be registered without charge by or on behalf of the Issuer or the Australian Agent, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Issuer or the Australian Agent may require in respect of) any tax, duty or governmental charges (if any) which may be imposed in relation to the transfer.

A person becoming so entitled to an Australian Covered Bond as a consequence of the death or bankruptcy of a Holder of that Australian Covered Bond or a vesting order or a person administering the estate of a Holder of that Australian Covered Bond may, upon producing such evidence as to that entitlement or status as the Australian Agent considers sufficient, transfer the Australian Covered Bond or, if so entitled, become registered as the Holder of the Australian Covered Bond.

Where the transferor executes a transfer of less than all Australian Covered Bonds registered in its name, and the specific Australian Covered Bonds to be transferred are not identified, the Australian Agent may register the transfer in respect of such of the Australian Covered Bonds registered in the name of the transferor as the Australian Agent thinks fit, provided the aggregate principal amount of the Australian Covered Bonds registered as having been transferred equals the aggregate principal amount of the Australian Covered Bonds expressed to be transferred in the transfer.

3. Status of the Australian Covered Bonds and the Covered Bond Guarantee

3.1 Status of the Australian Covered Bonds

The Australian Covered Bonds constitute deposit liabilities of the Issuer for purposes of the *Bank Act* (Canada) and will rank *pari passu* with all deposit liabilities of the Issuer without any preference among themselves and (save for any obligations required to be preferred by Law) at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer from time to time outstanding (except as prescribed by Law).

The Australian Covered Bonds will not be deposits insured under the *Canada Deposit Insurance Corporation Act* or under any other government insurance scheme of any country.

The Australian Covered Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer (except as prescribed by Law).

The Issuer is registered in Australia as a “Foreign Company (Overseas)” and is a foreign “authorised deposit-taking institution” (“foreign ADI”) as that term is defined under the Banking Act 1959 of the Commonwealth of Australia (“Banking Act”) in the category of a “Branch of a Foreign Bank”. As a foreign ADI, the Issuer is regulated by the Australian Prudential Regulation Authority (“APRA”) in accordance with the Banking Act. However, the Australian Covered Bonds are being issued by The Bank of Nova Scotia acting through its main Toronto Branch and not through its branch in Australia. The depositor protection provisions of Division 2 of Part II of the Banking Act do not apply to the Issuer. The Issuer’s indebtedness in respect of the Australian Covered Bonds is affected by applicable laws which include (but are not limited to)

section 11F of the Banking Act and section 86 of the Reserve Bank Act 1959 of the Commonwealth of Australia ("**Reserve Bank Act**").

Section 11F of the Banking Act provides that, in the event that the Issuer (whether in or outside Australia) suspends payment or becomes unable to meet its obligations, the assets of the Issuer in Australia are to be available to meet its liabilities in Australia in priority to all other liabilities of the Issuer. Section 86 of the Reserve Bank Act provides that, notwithstanding anything contained in any law relating to the winding-up of companies, but subject to subsection 13A(3) of the Banking Act (which does not apply to the Issuer as a foreign ADI), debts due to the Reserve Bank of Australia by an authorised deposit-taking institution ("**ADI**") (including a foreign ADI) shall, in the winding-up of the Issuer, have priority over all other debts of the Issuer.

The Australian Covered Bonds are not guaranteed by any government or governmental agency and in particular are not guaranteed by the Commonwealth of Australia or the government of Canada.

3.2 Status of the Covered Bond Guarantee

Pursuant to the Trust Deed, the Australian Covered Bonds have the benefit of the Covered Bond Guarantee.

For a description of the Covered Bond Guarantee see Program Term 1 on page 14 of the Information Memorandum.

The Guarantor is not a bank nor an authorised deposit-taking institution authorised to carry on banking business in Australia under the Banking Act and it is not supervised by the APRA. The Guarantor is not registered as a foreign company or otherwise registered, authorised or qualified to carry on financial services or other business in Australia. The Covered Bond Guarantee is not the obligation of any government and, in particular, is not guaranteed by the Commonwealth of Australia or the government of Canada.

4. Interest

4.1 Interest on Fixed Rate Australian Covered Bonds

Each Fixed Rate Australian Covered Bond bears interest on its Principal Amount Outstanding (as defined in Condition 4.5 (Business Day, Business Day Convention, Day Count Fractions and other adjustments), but subject to Condition 4.4 (Accrual of interest)) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable, subject as provided in these Terms and Conditions, in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date.

Except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Interest Period (as defined in Condition 4.5 (Business Day, Business Day Convention, Day Count Fractions and other adjustments)) ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

Except where a Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest will be calculated in respect of any period by applying the Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction (as defined in Condition 4.5 (Business Day, Business Day Convention, Day Count Fractions and other adjustments)), and rounding the resultant figure to the nearest sub unit (as defined in Condition 4.5 (Business Day, Business Day Convention, Day Count Fractions and other adjustments)) of the relevant Specified Currency, half of any such sub unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Australian Covered Bond in definitive form comprises more than one

Calculation Amount, the amount of interest payable in respect of such Fixed Rate Australian Covered Bond will be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

The applicable Pricing Supplement may provide that if the payment of the Final Redemption Amount of a Series of Fixed Rate Australian Covered Bonds on its Final Maturity Date is deferred until the applicable Extended Due for Payment Date in accordance with the Terms and Conditions, interest will accrue and be payable on the unpaid portion of the Final Redemption Amount up to the Extended Due for Payment Date at the Rate of Interest specified in the applicable Pricing Supplement which may provide that such Series of Fixed Rate Australian Covered Bonds will continue to bear interest at a Fixed Rate or at a Floating Rate despite the fact that interest accrued and was payable on such Australian Covered Bonds prior to the Final Maturity Date at a Fixed Rate.

4.2 Interest on Floating Rate Australian Covered Bonds

(a) Interest Payment Dates

Each Floating Rate Australian Covered Bond bears interest on its Principal Amount Outstanding (subject to Condition 4.3 (Interest following a Notice to Pay)) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period(s) in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date,

each such date, an "**Interest Payment Date**".

Such interest will be payable in respect of each Interest Period.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Australian Covered Bonds will be determined in the manner specified in the applicable Pricing Supplement.

(i) ISDA Determination for Floating Rate Australian Covered Bonds

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Floating Rate Australian Covered Bond Margin (if any). For the purposes of this subparagraph (i), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent or other Person specified in the applicable Pricing Supplement under an interest rate swap transaction if the Australian Agent or that other Person were acting as Calculation Agent for that swap transaction under the terms of an agreement and under which:

- (A) if "2006 ISDA Definitions" is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as amended and updated as at the Issue Date of the first

Tranche of the Australian Covered Bonds of such Series (as specified in the Pricing Supplement, as the case may be), as published by the International Swaps and Derivatives Association, Inc. (including any successor thereto, “ISDA”) shall apply; or

- (B) if “2021 ISDA Definitions” is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (as defined therein)) (and any successor thereto), as published by ISDA as at the Issue Date of the first Tranche of the Australian Covered Bonds of such Series (as specified in the Pricing Supplement, as the case may be) shall apply,

(“ISDA Definitions”)

and, in each case, under which:

(i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;

(ii) the Designated Maturity (as defined in the ISDA Definitions), if any, shall be the period specified in the applicable Pricing Supplement;

(iii) the relevant Reset Date (as defined in the ISDA Definitions) shall be either:

(x) if the relevant Floating Rate Option is based on EURIBOR, the first day of the Interest Period; or

(y) in any other case, the day specified in the applicable Pricing Supplement;

(iv) if the Floating Rate Option is an Overnight Floating Rate Option and Compounding Method is specified to apply in the applicable Pricing Supplement, the Overnight Rate Compounding Method shall be one of the following, as specified in the applicable Pricing Supplement:

[\(x\) Compounding with Lookback;](#)

[\(y\) Compounding with Observation Period Shift; or](#)

[\(z\) Compounding with Lockout;](#)

(v) if the Floating Rate Option is an Overnight Floating Rate Option and Averaging is specified to apply in the applicable Pricing Supplement, the Overnight Averaging Method shall be one of the following, as specified in the applicable Pricing Supplement:

[\(x\) Averaging with Lookback;](#)

[\(y\) Averaging with Observation Period Shift; or](#)

[\(z\) Averaging with Lockout;](#)

(vi) if the Floating Rate Option is a Compounded Index Floating Rate Option and Index Provisions are specified in the applicable Pricing Supplement, the Index Method will be Compounded Index Method with Observation Period Shift as specified in the applicable Pricing Supplement;

(vii) if the 2021 ISDA Definitions apply, (i) any fallbacks that would otherwise be required to be determined in accordance with Section 8.6 (Generic Fallback Provisions) of the 2021 ISDA Definitions shall not be so determined, but shall instead be determined in accordance with Condition 4.2(h) and (ii) if Administrator/Benchmark Event is specified in the Floating Rate Matrix in respect of the relevant Floating Rate Option, Condition 4.2(h) shall apply in place of the provisions relating to Administrator/Benchmark Event and the Administrator/Benchmark Fallback in the 2021 ISDA Definitions, and the 2021 ISDA Definitions shall be construed accordingly;

(viii) if the 2021 ISDA Definitions apply, Period End Date/Termination Date adjustment for Unscheduled Holiday (as defined in the 2021 ISDA Definitions) will apply if specified in the applicable Pricing Supplement;

(ix) if the 2021 ISDA Definitions apply, Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the applicable Pricing Supplement;

(x) if the 2021 ISDA Definitions apply, Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the applicable Pricing Supplement;

Subject to (vii) above, the ISDA Definitions contain provisions for determining the applicable Floating Rate (as defined below) (including Supplement 70 to the 2006 ISDA Definitions and Section 9 of the 2021 ISDA Definitions (Bespoke Triggers and Fallbacks)) in the event that the specified Floating Rate is not available and such provisions shall apply to Floating Rate Notes as if incorporated in these Conditions.

For the purposes of this subparagraph (b)(i), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Floating Rate Matrix”, “Designated Maturity”, “Reset Date”, “Overnight Floating Rate Option”, “Overnight Rate Compounding Method”, “Compounding with Lookback”, “Compounding with Observation Period Shift”, “Compounding with Lockout”, “Averaging with Lookback”, “Averaging with Observation Period Shift”, “Averaging with Lockout”, “Generic Fallback Provisions”, “Compounded Index Floating Rate Option”, “Index Method”, “Compounded Index Method with Observation Period Shift” “Applicable Benchmark”, “Fixing Day” and “Fixing Time” have the meanings given to those terms in the Relevant ISDA Definitions and the term “ISDA Calculation Agent” has the meaning given to “Calculation Agent” in the ISDA Definitions.

(ii) Screen Rate Determination for Floating Rate Australian Covered Bonds

EURIBOR

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Australian Covered Bonds is specified in the

applicable Pricing Supplement as being EURIBOR, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation (if there is only one quotation on the Relevant Screen Page);
or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11:00 a.m. (Brussels time) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Floating Rate Australian Covered Bond Margin (if any), all as determined by the Australian Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) will be disregarded by the Australian Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

Subject to Condition 4.2(f) (Benchmark Discontinuation), if the Relevant Screen Page is not available or if, in the case of this subparagraph (ii), no offered quotation appears or fewer than three offered quotations appear, in each case as at the Specified Time, the Australian Agent will request each of the Reference Banks to provide the Australian Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Australian Agent with offered quotations, the Rate of Interest for the Interest Period will be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Floating Rate Australian Covered Bond Margin (if any), all as determined by the Australian Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Australian Agent with an offered quotation as provided in this paragraph (ii), the Rate of Interest for the relevant Interest Period will be the rate per annum which the Australian Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Australian Agent by the Reference Banks or any two or more of them, at which such Reference Banks offered, at approximately the Specified Time on the relevant Interest Determination Date, for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market plus or minus (as appropriate) the Floating Rate Australian Covered Bond Margin (if any) or, if fewer than two of the Reference Banks provide the Australian Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Australian Agent it is quoting to leading banks in the Euro-zone interbank market plus or minus (as appropriate) the Floating Rate Australian Covered Bond Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this section, the Rate of Interest will be determined as at

the last preceding Interest Determination Date (though substituting, where a different Floating Rate Australian Covered Bond Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Floating Rate Australian Covered Bond Margin relating to the relevant Interest Period in place of the Floating Rate Australian Covered Bond Margin relating to that last preceding Interest Period).

SONIA

Where “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Australian Covered Bonds is specified in the applicable Pricing Supplement as being “SONIA” and the Calculation Method is specified in the applicable Pricing Supplement as being “Compounded Daily Rate”, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA with respect to such Interest Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin.

Compounded Daily SONIA means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Australian Agent on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{Relevant SONIA}_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

d is the number of calendar days in:

- (a) where Lag is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Period; or
- (b) where Shift is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

d₀ is the number of London Banking Days in:

- (a) where Lag is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Period; or
- (b) where Shift is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

i is a series of whole numbers from one to **d₀**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(a) where Lag is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Period or

(b) where Shift is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

London Banking Day or LBD means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

n_i, for any London Banking Day “i”, means the number of calendar days from (and including) such London Banking Day “i” up to (but excluding) the following London Banking Day;

Observation Look-Back Period is as specified in the applicable Pricing Supplement (or, if none is specified, five London Banking Days);

Observation Period means the period from (and including) the date falling “p” London Banking Days prior to the first day of the relevant Interest Period and ending on but excluding, the date falling “p” London Banking Days prior to (A) the Interest Payment Date for such Interest Period or (B) such other date on which the Australian Covered Bonds become due and payable;

p is, for any Interest Period, the number of London Banking Days set forth in the Observation Look-Back Period in the applicable Pricing Supplement;

Relevant SONIA_i means, in respect of any London Banking Day “i”:

(a) where “Lag” is specified as the Observation Method in the applicable Final Terms Document or Pricing Supplement, SONIA_{i-pLBD}; or

(b) where “Shift” is specified as the Observation Method in the applicable Final Terms Document or Pricing Supplement, SONIA_{iLBD};

the **SONIA Reference Rate**, in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors), in each case, on the London Banking Day immediately following such London Banking Day;

SONIA_{iLBD} means, in respect of any London Banking Day “i” falling in the relevant Observations Period, the SONIA reference rate for such London Banking Day “i”;and

SONIA_{i-pLBD} means, in respect of any London Banking Day falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling “p” London Banking Days prior to the relevant London Banking Day “i”.

If, in respect of any London Banking Day in the relevant Observation Period, the applicable SONIA Reference Rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, then (unless the Australian Agent (or other party responsible for calculating the Rate of Interest as set out in the Pricing Supplement) has been notified of any Alternative Rate or Adjustment Spread

(and any related Benchmark Amendments) pursuant to Condition 4.2(f), if applicable) the SONIA Reference Rate in respect of such London Banking Day shall be: (a) (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; and (b) if the Bank Rate is not published by the Bank of England as set out in (a) above on the relevant London Banking Date, the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the immediately preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Notwithstanding the paragraph above, and without prejudice to Condition 4.2(f), in the event the Bank of England publishes guidance as to (i) how the SONIA Reference Rate is to be determined or (ii) any rate that is to replace the SONIA Reference Rate, the Australian Agent (or such other party responsible for the calculation of the Rate of Interest as set out in the relevant Pricing Supplement) shall, subject to receiving written instructions from the Issuer and, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA_i for the purpose of the relevant Series of Australian Covered Bonds for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

If the relevant Series of Australian Covered Bonds become due and payable following an Issuer Event of Default or a Guarantor Event of Default, the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Australian Covered Bonds become due and payable, and such Rate of Interest shall continue to apply to the Australian Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4.4 and the Trust Deed.

SONIA COMPOUNDED INDEX

Where "Screen Rate Determination" is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Reference Rate in respect of the relevant Series of Floating Rate Australian Covered Bonds is specified in the applicable Pricing Supplement as being "SONIA" and the Calculation Method is specified in the applicable Pricing Supplement as being "Compounded Index Rate", the Rate of Interest for each Interest Period will, subject to Condition 4.2(f) and as provided below, be Compounded Daily SONIA, for the Interest Period determined by reference to the screen rate or index for Compounded Daily SONIA administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the relevant Index Determination Dates specified below, as further specified in the applicable Pricing Supplement (the **SONIA Compounded Index**) and in accordance with the following formula, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 per cent. being rounded upwards, all determined by the Australian Agent.

Compounded Daily SONIA rate means:

$$\left(\frac{\text{SONIA Compounded Index}_y}{\text{SONIA Compounded Index}_x} - 1 \right) x \frac{365}{d}$$

where:

x denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of the relevant Interest Period;

y denotes that the relevant SONIA Compounded Index is the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the Interest Payment Date for such Interest Period, or such other date as when the relevant payment of interest falls to be due (but which by definition or the operation of the relevant provisions is excluded from such Interest Period);

An **Index Determination Date** means a day on which the SONIA Compounded Index is determined pursuant to paragraph “x” or “y” above;

d is the number of calendar days from (and including) the day in relation to which x is determined to (but excluding) the day in relation to which y is determined;

Relevant Number is as specified in the applicable Pricing Supplement (or, if no such number is so specified, five London Banking Days).

If the SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the relevant time on any relevant Index Determination Date, the Compounded Daily SONIA rate for the applicable Interest Period for which SONIA Compounded Index is not available shall be Compounded Daily SONIA determined in accordance with SONIA above as if Compounded Index Rate is not specified as being applicable in the applicable Pricing Supplement. For these purposes, the Calculation Method shall be deemed to be “Compounded Daily Rate”, the Relevant Number specified in the applicable Pricing Supplement shall be the Observation Lookback Period and Observation Method shall be deemed to be Shift as if Compounded Index Rate had not been specified as applicable and these alternative elections had been made.

SOFR

Where “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Australian Covered Bonds is specified in the applicable Pricing Supplement as being “SOFR”, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SOFR with respect to such Interest Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin.

Compounded Daily SOFR means, in respect to an Interest Period, the rate computed in accordance with the formula set out below, and will be calculated by the Australian Agent on the relevant Interest Determination Date (and the resulting percentage will be rounded, if necessary, to the fifth decimal point, with 0.000005 per cent. being rounded upward):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \frac{360}{d}$$

provided that, if SOFR IndexStart or SOFR IndexEnd is not published on the associated Interest Determination Date and a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have not occurred with respect to SOFR, “Compounded Daily SOFR” for the applicable Interest Period for which such index is not available, will be the rate of return on a daily compounded interest investment, calculated by the Australian Agent on the relevant Interest Determination Date, based on SOFR in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the SOFR Administrator’s Website at <https://www.newyorkfed.org/markets/reference-rates/additional-information-about-reference-rates> and, for the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to “calculation period” shall be replaced with “Observation Period” and the words “that is, 30-, 90-, or 180- calendar days” shall be removed. If the daily SOFR (SOFR_i) does not so appear for any day, “i” in the Observation Period, SOFR_i for such day “i” shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website,

where:

d means the number of calendar days from (and including) the SOFR Index Start Date to (but excluding) the SOFR Index End Date (being the number of calendar days in the Observation Period).

Observation Period means, in respect of the relevant Interest Period, the period from, and including, the date falling “p” U.S. Government Securities Business Days prior to the first day of such Interest Period to, but excluding, the date which is “p” U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “p” U.S. Government Securities Business Days prior to such earlier date, if any, on which the Australian Covered Bonds become due and payable).

p means, for the relevant Interest Period, the number of U.S. Government Securities Business Days specified to be the Observation Period Shift in the applicable Pricing Supplement (or, if no such number is specified, two U.S. Government Securities Business Days).

SOFR Index means, with respect to any U.S. Government Securities Business Day:

- (1) the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator’s Website at 3:00 p.m. (New York time) on such U.S. Government Securities Business Day (the SOFR Index Determination Time); provided that:
- (2) if a SOFR Index value does not so appear as specified in (1) above at the **SOFR Index Determination Time**, then:
 - (i) if a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have not occurred with respect to SOFR, then “Compounded Daily SOFR” shall be the rate

determined pursuant to the proviso of the definition of “Compounded Daily SOFR” above; or

- (ii) if a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred with respect to SOFR, then “Compounded Daily SOFR” shall be the rate determined pursuant to Condition 4.2(g).

SOFR Index_{Start} means the SOFR Index value on the SOFR Index Start Date.

SOFR Index_{End} means the SOFR Index value on the SOFR Index End Date.

SOFR Index Start Date means, in respect of the relevant Interest Period, the first day of the Observation Period relating to such Interest Period.

SOFR Index End Date means, in respect of the relevant Interest Period, the date which is “p” U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “p” U.S. Government Securities Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable).

SOFR means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator’s Website.

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of SOFR).

SOFR Administrator’s Website means the website of the SOFR Administrator, or any successor source.

USD Benchmark Transition Event and **USD Benchmark Replacement Date** have the meanings given to them in Condition 4.2(g).

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

If the relevant Series of Australian Covered Bonds become due and payable following an Issuer Event of Default or a Guarantor Event of Default, the final Rate of Interest shall be calculated for the Interest Period to (but excluding) the date on which the Australian Covered Bonds become due and payable, and such Rate of Interest shall continue to apply to the Australian Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4.4 and the Trust Deed.

SARON

(A) Where **Screen Rate Determination** is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Australian Covered Bonds is specified in the applicable Pricing Supplement as being **SARON**, the Calculation Method is specified in the applicable Pricing Supplement as being **Compounded Daily Rate** and where “Shift” is specified as the Observation Method in the applicable Pricing Supplement, the Rate of Interest for each Interest Period will, subject as provided below, be SARON

Compounded (as defined below) for such Interest Period, plus or minus (as specified in the applicable Pricing Supplement) the applicable Margin.

SARON Compounded means, in respect of an Interest Period, the rate of return of a daily compound interest investment (with the daily overnight interest rate of the secured funding market for Swiss franc) as calculated by the Australian Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_b} \left(1 + \frac{SARON_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d_c}$$

where:

d_b means the number of Zurich Banking Days in the relevant Observation Period;

d_c means the number of calendar days in the relevant Observation Period;

i indexes a series of whole numbers from one to d_b , representing the Zurich Banking Days in the relevant Observation Period in chronological order from, and including, the first Zurich Banking Day in such Observation Period;

n_i means, in respect of any Zurich Banking Day i , the number of calendar days from, and including, the Zurich Banking Day i up to, but excluding, the first following Zurich Banking Day;

Observation Period means, in respect of an Interest Period, the period from, and including, the date falling “p” Zurich Banking Days prior to the first day of such Interest Period and ending on, but excluding, the date falling “p” Zurich Banking Days prior to (A) the Interest Payment Date for such Interest Period or (B) such earlier date on which the Australian Covered Bonds become due and payable;

Observation Period Shift is as specified in the applicable Pricing Supplement;

p means, for the relevant Interest Period, the number of Zurich Banking Days specified to be the Observation Period Shift in the applicable Pricing Supplement;

$SARON_i$ means, in respect of any Zurich Banking Day i , SARON for such Zurich Banking Day i .

SARON means, in respect of any Zurich Banking Day, the Swiss Average Rate Overnight for such Zurich Banking Day published by the SARON Administrator on the SARON Administrator Website at the Relevant Time on such Zurich Banking Day; and

Zurich Banking Day means a day on which banks are open in the City of Zurich for the settlement of payments and of foreign exchange transactions.

(A) (i) If SARON does not so appear on the SARON Administrator Website or is not so published by the Relevant Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have not both occurred on or prior to such Zurich Banking Day, “**SARON**” shall mean, in respect of any Zurich Banking Day, the Swiss Average Rate Overnight published by the SARON Administrator on the SARON Administrator Website for the first preceding Zurich Banking Day on

which the Swiss Average Rate Overnight was published by the SARON Administrator on the SARON Administrator Website; or

(ii) If SARON does not so appear on the SARON Administrator Website or is not so published by the Relevant Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have both occurred on or prior to such Zurich Banking Day, “**SARON**” shall have the meaning set out in Condition 4.2(h).

(C) In connection with the SARON provisions above, the following definitions apply:

Relevant Time means, in respect of any Zurich Banking Day, close of trading on SIX Swiss Exchange on such Zurich Banking Day, which is expected to be on or around 6 p.m. (Zurich time) on such day;

SARON Administrator means SIX Index AG or any successor administrator of SARON;

SARON Administrator Website means the website of the SARON Administrator;

SARON Index Cessation Event has the meaning specified in Condition 4.2(h);

SARON Index Cessation Effective Date has the meaning specified in Condition 4.2(h); and

SIX Swiss Exchange means SIX Swiss Exchange AG and any successor thereto;

(D) If the relevant Series of Australian Covered Bonds become due and payable following an Issuer Event of Default or a Guarantor Event of Default, the final Rate of Interest shall be calculated for the Interest Period to (but excluding) the date on which the Australian Covered Bonds become due and payable, and such Rate of Interest shall continue to apply to the Australian Covered Bonds for so long as interest continues to accrue thereon as provided in Condition 4.4 and the Trust Deed.

(iii) **BBSW Rate Australian Covered Bonds**

If the Pricing Supplement specifies the Rate of Interest applicable to the Australian Covered Bonds as being the BBSW Rate, each Australian Covered Bond shall bear interest during each Interest Period at the relevant BBSW Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any).

(c) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Pricing Supplement for a Floating Rate Australian Covered Bond specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period will be such Minimum Rate of Interest.

If the applicable Pricing Supplement for a Floating Rate Australian Covered Bond specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period will be such Maximum Rate of Interest.

(d) **Determination of Rate of Interest and Calculation of Interest Amounts**

The Australian Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Australian Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Australian Covered Bonds for the relevant Interest Period by applying the Rate of Interest to the Calculation Amount and multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub unit of the relevant Specified Currency, half of any such sub unit being rounded upwards or otherwise in accordance with applicable market convention.

(e) Notification of Rate of Interest and Interest Amounts

The Australian Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantor, the Bond Trustee and to any stock exchange or other relevant competent authority or quotation system on which the relevant Floating Rate Australian Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing or trading and to be published in accordance with Condition 13 (Notices) as soon as possible after their determination but in no event later than the fourth Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment or alternative arrangements will be promptly notified to the Bond Trustee and each stock exchange or other relevant authority on which the relevant Floating Rate Australian Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing or trading and to Holders of the Australian Covered Bonds in accordance with Condition 13 (Notices).

(f) Benchmark Discontinuation (Independent Adviser)

This Condition 4.2(f) applies to all Australian Covered Bonds with an Original Reference Rate used to calculate a Rate of Interest or a component thereof other than where the Original Reference Rate specified in the Pricing Supplement is SOFR. If the Original Reference Rate is SARON, this Condition shall only apply if the Rate of Interest is not determined by application of the provisions of Condition 4.2(h).

For greater certainty, this Condition 4.2(f) also applies to Condition 4.2(b)(i) to the extent that the ISDA Definitions do not provide for a successor rate or any successor rate also requires Benchmark Amendments or, in the case where the 2021 ISDA Definitions apply, where Section 8.6 (Generic Fallback Provisions) of the 2021 ISDA Definitions would otherwise apply.

(i) Independent Adviser

If the Issuer determines a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4.2(f)(ii) (Benchmark Discontinuation (Independent Adviser) – Successor Rate or Alternative Rate)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4.2(f)(iii) (Benchmark Discontinuation (Independent Adviser) – Adjustment Spread)) and any Benchmark Amendments (in accordance with Condition 4.2(f)(iv) (Benchmark Discontinuation (Independent Adviser) – Benchmark Amendments)).

An Independent Adviser appointed pursuant to this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)) shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Bond Trustee, the Australian Agent, or the Holders of the Australian Covered Bonds for any determination made by it or for any advice given to the

Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)).

In making any determination pursuant to this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)), the Issuer shall act in good faith and, in the absence of bad faith or fraud, the Issuer shall have no liability whatsoever to the Bond Trustee, the Australian Agent, or the Holders of the Australian Covered Bonds or the Couponholders for any such determination made by it.

If the Issuer is unable to appoint an Independent Adviser or unable to make the determination set out in Condition 4.2(f) (i), (ii), (iii) and (iv) in consultation with an Independent Adviser, the Issuer may make such determinations itself, acting in good faith and in a commercially reasonable manner, and having such regard as it shall think fit to the foregoing provisions, of this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)), any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets, and subject always to any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Pricing Supplement.

(ii) Successor Rate or Alternative Rate

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.2(f)(iii) (Benchmark Discontinuation – Adjustment Spread)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Australian Covered Bonds (subject to the operation of this Condition 4.2(f)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4.2(f)(iii) (Benchmark Discontinuation (Independent Adviser) – Adjustment Spread)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate of Interest (or the relevant component part thereof) for all relevant future payments of interest on the Australian Covered Bonds (subject to the further operation of this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser))).

(iii) Adjustment Spread

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith and in a commercially reasonable manner, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to each Successor Rate or Alternative Rate (as applicable).

If the Issuer, following consultation with the Independent Adviser, is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, the Successor Rate or the Alternative Rate (as the case may be) will apply without an Adjustment Spread.

(iv) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread (if any) is determined in accordance with this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)) and the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions and/or the Agency Agreement and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the Benchmark Amendments) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.2(f)(v) (Benchmark Discontinuation (Independent Adviser) – Other Conditions), vary these Conditions and/or the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Bond Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4.2(f)(v) (Benchmark Discontinuation (Independent Adviser) – Other Conditions), the Bond Trustee shall, without any requirement for the consent or approval of the Holders of the Australian Covered Bonds, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Bond Trustee shall not be liable to any party for any consequences thereof.

No consent or approval of Holders of Australian Covered Bonds shall be required in connection with effecting the relevant Successor Rate or Alternative Rate (as may be applicable), Adjustment Spread and/or any Benchmark Amendments, or varying these Conditions and/or the Agency Agreement and/or the Trust Deed to give effect to such changes pursuant to this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)), including the execution of any documents or the taking of any steps by the Issuer or any parties to any relevant documents (if required).

In connection with any such variation in accordance with this Condition 4.2(f)(iv) (Benchmark Discontinuation (Independent Adviser) – Benchmark Amendments), the Issuer shall comply with the rules of any stock exchange on which the Australian Covered Bonds are for the time being listed or admitted to trading.

(v) Other Conditions.

(A) The occurrence of a Benchmark Event, any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)) will be (i) subject to the Rating Agency Condition (as specified in Condition 17) with respect to each Rating Agency and (ii) notified promptly by the Issuer to the Bond Trustee, the Australian Agent and, in accordance with Condition 13 (Notices), the Holders of the Australian Covered Bonds. Such notice shall be irrevocable and shall specify the effective date(s) for such Successor Rate

or Alternative Rate (as applicable), the Adjustment Spread (if any) and for the Benchmark Amendments, if any.

(B) No later than the date of notifying the Bond Trustee of the same, the Issuer shall deliver to the Bond Trustee a certificate signed by two Authorised Signatories of the Issuer:

(i) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)); and

(ii) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and (in either case) the applicable Adjustment Spread (if any).

The Bond Trustee shall display such certificate at its offices for inspection by the Holders of the Australian Covered Bonds at all reasonable times during normal business hours. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Australian Agent and Holders of the Australian Covered Bonds.

(C) The Issuer shall pay (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Bond Trustee in connection with such Benchmark Event, Successor or Alternative Rate, Spread Adjustment and the specific terms of any Benchmark Amendments.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4.2(f) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 4.2(b) (Benchmark Discontinuation (Independent Adviser) – Rate of Interest) will continue to apply unless and until the Australian Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and (in either case) any Adjustment Spread (if applicable) and Benchmark Amendments, in accordance with Condition 4.2(f)(v) (Benchmark Discontinuation (Independent Adviser) – Other Conditions). For the avoidance of doubt, this subparagraph 4.2(f)(vi) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 4.2(f).

(vii) Definitions:

As used in this Condition 4.2(f) (Benchmark Discontinuation (Independent Adviser)):

Adjustment Spread means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in each case, to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (A) if no such formal recommendation has been made in relation to the replacement of the Original Reference Rate with a Successor Rate by any Relevant Nominating Body and, in all cases, in the case of an Alternative Rate, the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to provide an industry-accepted replacement rate for the Original Reference Rate; or
- (C) if the Issuer determines, following consultation with the Independent Adviser (if any) and acting in good faith, that no such spread is customarily applied in international debt capital markets under (B) above, the Issuer determines, following consultation with the Independent Adviser (if any) and acting in good faith, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) if the Issuer determines that no industry standard is recognised or acknowledged as aforesaid and, consequently, no such spread, formula or methodology can be determined in accordance with (A) to (C) above, the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this subclause (D) only, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Covered Bondholders.
- (A) **Alternative Rate** means an alternative to the benchmark or screen rate which the Issuer determines in accordance with Condition 4.2(f)(ii) (Benchmark Discontinuation (Independent Adviser) – Benchmark Amendments) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Australian Covered Bonds.

Benchmark Amendments has the meaning given to it in Condition 4.2(f)(iv) (Benchmark Discontinuation (Independent Adviser) – Benchmark Amendments).

Benchmark Event means:

- (B) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (C) a public statement by the administrator of the Original Reference Rate that it has ceased or will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

- (D) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (E) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used either generally or in respect of Australian Covered Bonds or that it will be subject to restrictions or adverse consequences; or
- (F) an official announcement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is deemed by such supervisor to be) no longer representative of its underlying relevant markets; or
- (G) it has become unlawful for the Australian Agent or the Issuer to calculate any payments due to be made to any Holder of Australian Covered Bonds using the Original Reference Rate (including, without limitation, under the Benchmarks Regulations (EU) 2016/1011 (including as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended)), as applicable),

provided that the Benchmark Event shall be deemed to occur (a) in the case of paragraphs (B) and (C) above, on the date of the cessation of the Original Reference Rate or the discontinuation of the Original Reference Rate or, (b) in the case of (D) above, on the date of prohibition of use of the Original Reference Rate and (c) in the case of paragraph (E) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the public statement and, in each case, not the date of the relevant public statement.

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer.

Original Reference Rate means the benchmark or screen rate (as applicable) originally-specified for the purposes of determining the relevant Rate of Interest (or any component part thereof) on the Australian Covered Bonds.

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

- (A) the European Commission, the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (w) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (y) a group of the aforementioned central banks or other supervisory authorities or (z) the Financial Stability Board or any part thereof.

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(g) **Benchmark Discontinuation (ARRC)**

This Condition 4.2(g) applies to all Australian Covered Bonds where the Reference Rate used to calculate the Rate of Interest (or any component thereof) is SOFR (and for the avoidance of doubt any subsequent USD Benchmark determined as a result of a Benchmark Replacement determination):

- (i) *Benchmark Replacement.* If the Issuer or its designee determines that a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the then-current USD Benchmark on any date, the Benchmark Replacement will replace the then-current USD Benchmark for all purposes relating to the Australian Covered Bonds in respect of such determination on such date and all determinations on all subsequent dates;
- (ii) *Benchmark Replacement Conforming Changes.* In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time;
- (iii) *Decisions and Determinations.* Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4.2(g), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:
 - (A) will be conclusive and binding absent manifest error;
 - (B) if made by the Issuer, will be made in the Issuer's sole discretion; and
 - (C) if made by the Issuer's designee, will be made after consultation with the Issuer, and the designee will not make any such determination, decision or election to which the Issuer objects; and
 - (D) shall become effective without consent, sanction or absence of objection from the Holders of the Australian Covered Bonds.

Any determination, decision or election pursuant to the benchmark replacement provisions not made by the Issuer's designee will be made by the Issuer on the basis as described above. The designee shall have no liability for not making any such determination, decision or election absent bad faith or fraud.

- (iv) *Other Conditions.*
 - (A) Any USD Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 4.2(g) will be (i) subject to the Rating Agency Condition (as specified in Condition 17) with respect to each Rating Agency, and (ii) notified promptly by the Issuer to the Bond Trustee and the Australian Agent and, in accordance with Condition 13, the Holders of the Australian Covered Bonds. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

- (B) No later than providing the notice to the Bond Trustee pursuant to Condition 4.2(g)(iv), the Issuer shall deliver to the Bond Trustee a certificate of the Issuer (**USD Benchmark Transition Event Certificate**) confirming (x) that a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred specifying the Benchmark Replacement, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 4.2(g)).

The Bond Trustee shall display such certificate at its offices for inspection by the Covered Bondholders at all reasonable times during normal business hours. The Benchmark Replacement and the Benchmark Replacement Adjustment (if any) and the Benchmark Replacement Conforming Changes (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement and the Benchmark Replacement Adjustment (if any) and the Benchmark Replacement Conforming Changes (if any)) be binding on the Issuer, the Australian Agent and the Holders of the Australian Covered Bonds.

- (C) The Issuer shall pay (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Bond Trustee in connection with such USD Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Change.

- (v) *Definitions.* For the purposes of this Condition 4.2(g):

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the USD Benchmark Replacement Date:

- (A) the sum of: (I) an alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current USD Benchmark for the applicable Corresponding Tenor and (II) the Benchmark Replacement Adjustment;
- (B) the sum of: (I) the ISDA Fallback Rate and (II) the Benchmark Replacement Adjustment; or
- (C) the sum of: (I) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current USD Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current USD Benchmark for U.S. dollar denominated floating rate covered bonds or notes at such time calculated by reference to the then-current USD Benchmark, at such time and (II) the Benchmark Replacement Adjustment.

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the USD Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been

selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current USD Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate covered bonds or notes.

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period”, determination dates, the timing and frequency of determining rates and making payments, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

Corresponding Tenor with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current USD Benchmark.

designee means an affiliate or other agent of the Issuer designated by the Issuer.

ISDA Fallback Adjustment means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the USD Benchmark for the applicable tenor.

ISDA Fallback Rate means the rate that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the USD Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

Reference Time with respect to any determination of the USD Benchmark means:

- (A) where the USD Benchmark is Compounded Daily SOFR, 3:00 p.m. (New York City time) on the U.S. Government Securities Business Day the relevant rate is in respect of; or
- (B) otherwise, the time determined by the Issuer or its designee after giving effect to the modifications noted in Condition 4.2(g).

Relevant Governmental Body means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

Relevant ISDA Definitions means:

- (A) unless **2021 Relevant ISDA Definitions** are specified as being applicable in the relevant Pricing Supplement, as the case may be, the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc (ISDA) or any successor thereto, as amended and supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time; and
- (B) if **2021 Relevant ISDA Definitions** are specified as being applicable in the relevant Final Terms Document or Pricing Supplement, as the case may be, the latest version of the ISDA 2021 Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), each as published by ISDA or any successor thereto, as amended and supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

USD Benchmark means, initially, in respect of SOFR referenced Floating Rate Australian Covered Bond, Compounded Daily SOFR; as such term is defined in Condition 4.2(b)(ii), provided that if a USD Benchmark Transition Event and its related USD Benchmark Replacement Date have occurred with respect to Compounded Daily SOFR (or the published daily SOFR used in the calculation thereof), or the then-current USD Benchmark, then “USD Benchmark” means the applicable Benchmark Replacement.

USD Benchmark Replacement Date means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) in the case of clause (A) or (B) of the definition of “USD Benchmark Transition Event”, the later of (I) the date of the public statement or publication of information referenced therein and (II) the date on which an administrator (who initially is the Federal Reserve Bank of New York) of the USD Benchmark permanently or indefinitely ceases to provide the USD Benchmark; or
- (B) in the case of clause (C) of the definition of “USD Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the USD Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the USD Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

USD Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the USD Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the USD Benchmark (or such component), permanently or indefinitely, provided that, at the time of such

statement or publication, there is no successor administrator that will continue to provide the USD Benchmark (or such component); or

- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the USD Benchmark (or such component), the central bank for the currency of the USD Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the USD Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the USD Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the USD Benchmark (or such component), which states that the administrator of the USD Benchmark (or such component) has ceased or will cease to provide the USD Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the USD Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the USD Benchmark announcing that the USD Benchmark is no longer, or as of a specified future date will no longer be representative.

For the avoidance of doubt, for purposes of the definitions of USD Benchmark Replacement Date and USD Benchmark Transition Event, references to Benchmark also include any reference rate underlying such Benchmark.

- (vi) Conflict.

To the extent that there is any inconsistency between the conditions set out in Condition 4.2(g) and any other Condition, the statements in this Condition 4.2(g) shall prevail with respect to any U.S. dollar denominated Floating Rate Australian Covered Bonds calculated by reference to a USD Benchmark.

- (vii) Future Benchmark Replacement.

For the avoidance of doubt, the Issuer or its designee may give effect to a USD Benchmark Transition Event on more than one occasion provided that the conditions set out in this Condition 4.2(g) are satisfied.

- (viii) Survival of the USD Benchmark:

Without prejudice to the obligations of the Issuer under this Condition 4.2(g), the Reference Rate in respect of a USD Benchmark and the fallback provisions provided for in Condition 4.2(b) will continue to apply unless and until the Bond Trustee has received the USD Benchmark Transition Event Certificate in accordance with this Condition 4.2(g). For the avoidance of doubt, this Condition 4.2(g) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 4.2(g).

- (h) Benchmark Discontinuation (SARON)

Condition 4.2(h) applies to all Australian Covered Bonds for which the Original Reference Rate specified in the Pricing Supplement is SARON.

(i) SARON Replacement Rate

If SARON does not appear on the SARON Administrator Website or is not so published by the Relevant Time on a Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have both occurred on or prior to such Zurich Banking Day, for the purposes of Condition 4.2(b)(ii)-SARON, “**SARON**” shall mean, in respect of any such Zurich Banking Day,

- (A) the rate resulting from calculating SARON for such Zurich Banking Day in accordance with the definition of “SARON” in Condition 4.2(b)(ii) as if the reference to Swiss Average Rate Overnight in such definition were a reference to the Recommended Replacement Rate, giving effect to the Recommended Adjustment Spread, if any
- (B) if there is no Recommended Replacement Rate available within one Zurich Banking Day of the SARON Index Cessation Effective Date, the policy rate of the Swiss National Bank (the **SNB Policy Rate**) for such Zurich Banking Day, giving effect to the SNB Adjustment Spread, if any

Any substitution of the SARON rate by the Recommended Replacement Rate or the SNB Policy Rate as specified above (the **SARON Replacement Rate**) will remain effective for the remaining term to maturity of the Australian Covered Bonds.

(ii) SARON Benchmark Amendments

If the Australian Agent (i) is required to use a SARON Replacement Rate pursuant to clause (i)(A) or (B) of the definition of “SARON” above for purposes of determining SARON for any Zurich Banking Day, and (ii) believes that any changes to the definitions of Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Interest Period, Observation Period, Relevant Time, SARON, SARON Administrator, SARON Administrator Website or Zurich Business Day or any other amendments to the Conditions and/or the Agency Agreement and/or the Trust Deed (collectively, the SARON Benchmark Amendments) are necessary in order to use such Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may be, for such purposes, then the Australian Agent will notify the Issuer and the Issuer will determine whether such changes are in fact necessary. If the Issuer makes such determination it then, subject to giving notice thereof as specified below, vary these Conditions and/or the Agency Agreement and/or the Trust Deed to give effect to such SARON Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Bond Trustee of a certificate signed by two authorised signatories of the Issuer as specified below, the Bond Trustee shall, without any requirement for the consent or approval of the Holders of the Australian Covered Bonds, be obliged to concur with the Issuer in effecting any SARON Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Bond Trustee shall not be liable to any party for any consequences thereof.

No consent or approval of Holders of the Australian Covered Bonds shall be required in connection with substituting the Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, in place of SARON and/or effecting any SARON Benchmark Amendments, or otherwise varying these Conditions and/or the Agency Agreement and/or the Trust Deed to give effect to such changes pursuant to these provisions, including the execution of any documents or the taking of any steps by the Issuer or any parties to any relevant documents (if required).

In connection with any such variation of the Conditions in accordance with these provisions, the Issuer shall comply with the rules of any stock exchange on which the Australian Covered Bonds are for the time being listed or admitted to trading.

(iii) Notices, etc

The substitution of a SARON Replacement Rate in place of SARON and the specific terms of any SARON Benchmark Amendments, determined under these provisions will be (i) subject to the Rating Agency Condition (as specified in Condition 17) with respect to each Rating Agency and (ii) notified promptly by the Issuer to the Bond Trustee, the Principal Paying Agent and the Australian Agent and, in accordance with Condition 13 (Notices), the Holders of the Australian Covered Bonds. Such notice shall be irrevocable and shall specify the effective date(s) for such and for the Benchmark Amendments, if any.

No later than the date of notifying the Bond Trustee of the same, the Issuer shall deliver to the Bond Trustee a certificate signed by two Authorised Signatories of the Issuer (the **SARON Cessation Event Certificate**):

(i) confirming (x) that a SARON Index Cessation Event and SARON Index Cessation Effective Date have occurred, (y) the Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, and the specific terms of any SARON Benchmark Amendments, in each case, as determined in accordance with these provisions; and

(ii) certifying that the Issuer has determined that the SARON Benchmark Amendments are necessary to ensure the proper operation of the Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may.

The Bond Trustee shall display such certificate at its offices for inspection by the Holders of the Australian Covered Bonds at all reasonable times during normal business hours. The Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, and the SARON Benchmark Amendments (if any)) be binding on the Issuer, the Bond Trustee, the Australian Agent, the Paying Agents and the Holders of the Australian Covered Bonds.

The Issuer shall pay (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Bond Trustee in connection with such Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may, and the specific terms of any SARON Benchmark Amendments.

(iv) Survival of the Original Reference Rate

Without prejudice to the obligations of the Issuer under this Condition 4.2(h), the Original Reference Rate and the temporary fallback provisions provided for in Condition 4.2(b)(ii)-SARON will continue to apply to the Australian Covered Bonds unless and until the Bond Trustee has received the SARON Cessation Event Certificate in accordance with this Condition 4.2(h). For the avoidance of doubt, this Condition 4.2(h) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 4.2(h).

(v) Definitions

As used in this Condition 4.2(h):

Independent Advisor has the meaning specified in Condition 4.2(f)(vii);

Recommended Replacement Rate means the rate that has been recommended as the replacement for SARON by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for purposes of, among other things, considering proposals to reform reference interest rates in Switzerland (any such working group or committee, the **Recommending Body**);

Recommended Adjustment Spread means, with respect to any Recommended Replacement Rate, the spread (which may be positive or negative or zero), or formula or methodology for calculating such a spread,

- (a) that the Recommending Body has recommended be applied to such Recommended Replacement Rate in the case of fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for the purposes of determining the applicable rate of interest thereon; or
- (b) if the Recommending Body has not recommended such a spread, formula or methodology as described in (a) above, to be applied to such Recommended Replacement Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Holders of the Australian Covered Bonds as a result of the replacement of the Swiss Average Rate Overnight with such Recommended Replacement Rate for purposes of determining SARON, which spread will be determined by the Issuer or its Independent Adviser, acting in good faith and a commercially reasonable manner, and be consistent with industry-accepted practices for fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon;

Relevant Time has the meaning specified in Condition 4.2(b)(ii)-SARON;

SARON has the meaning specified in Condition 4.2(b)(ii)-SARON;

SARON Administrator Website has the meaning specified in Condition 4.2(b)(ii)-SARON;

SARON Index Cessation Effective Date means, in respect of a SARON Index Cessation Event, the earliest of:

- (a) (in the case of a SARON Index Cessation Event described in clause (a) of the definition thereof) the date on which the SARON Administrator of the Swiss Average Rate Overnight ceases to provide SARON;
- (b) (in the case of a SARON Index Cessation Event described in clause (b)(x) of the definition thereof) the latest of:
 - (i) the date of such statement or publication;
 - (ii) the date, if any, specified in such statement or publication as the date on which SARON will no longer be representative; and
- (ii) if a SARON Index Cessation Event described in clause (b)(y) of the definition of SARON Index Cessation Event has occurred on or prior to either or both dates specified in sub-clauses (i) and (ii) of this clause (b), the date as of which SARON may no longer be used; and

- (c) (in the case of a SARON Index Cessation Event described in clause (b)(y) of the definition thereof) the date as of which SARON may no longer be used.

SARON Index Cessation Event means the occurrence of one or more of the following events:

- (a) a public statement or publication of information by or on behalf of the SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased or will cease to provide the Swiss Average Rate Overnight permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Swiss Average Rate Overnight; or
- (b) a public statement or publication of information by the SARON Administrator or any competent authority announcing that (x) the Swiss Average Rate Overnight is no longer representative or will as of a certain date no longer be representative, or (y) the Swiss Average Rate Overnight may no longer be used after a certain date, which statement, in the case of sub-clause (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives.

SNB Adjustment Spread means, with respect to the SNB Policy Rate, the spread to be applied to the SNB Policy Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Holders of the Australian Covered Bonds as a result of the replacement of SARON with the SNB Policy Rate for purposes of determining SARON, which spread will be determined by the Issuer or its Independent Adviser, acting in good faith and a commercially reasonable manner, taking into account the historical median between the SARON and the SNB Policy Rate during the two year period ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event has occurred, the date on which the first of such events occurred).

Zurich Banking Day has the meaning specified in Condition 4.2(b)(ii)-SARON.

- (i) Determination or Calculation by Bond Trustee

If for any reason at any relevant time after the Issue Date, the Australian Agent defaults in its obligation to determine the Rate of Interest or the Australian Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph (b)(i) or (ii) above or as otherwise specified in the applicable Pricing Supplement, as the case may be, and in each case in accordance with paragraph (d) above, the Bond Trustee will determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it will think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Pricing Supplement), it will deem fair and reasonable in all the circumstances or, as the case may be, the Bond Trustee will calculate the Interest Amount(s) in such manner as it will deem fair and reasonable in all the circumstances. In making any such determination or calculation, the Bond Trustee may appoint and rely on a determination or calculation by a calculation agent (which will be an investment bank or other suitable entity of international repute). Each such determination or calculation will be deemed to have been made by the Australian Agent.

- (j) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2 (Interest on Floating Rate Australian Covered Bonds), whether by the Australian Agent or the Bond Trustee will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Australian Agent, the other Agents, the Bond Trustee and all Holders of Australian Covered Bonds and (in the absence of wilful default, negligence, bad faith or fraud) no liability to the Issuer, the Guarantor, Holders of Australian Covered Bonds will attach to the Australian Agent or the Bond Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.3 Interest following a Notice to Pay

If a Notice to Pay is served on the Guarantor, the Guarantor will, in accordance with the terms of the Trust Deed, pay Guaranteed Amounts corresponding to the amounts of interest described under Condition 4.1 (Interest on Fixed Rate Covered Bonds) or 4.2 (Interest on Floating Rate Australian Covered Bonds) (as the case may be) under the Covered Bond Guarantee in respect of the Australian Covered Bonds on the Original Due for Payment Dates and, if applicable, the Extended Due for Payment Date in accordance with the applicable Priorities of Payments.

4.4 Accrual of interest

Interest (if any) will cease to accrue on each Australian Covered Bond (or in the case of the redemption of part only of an Australian Covered Bond, that part only of such Australian Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event, interest will continue to accrue as provided in Condition 6.10 (Late Payment).

4.5 Business Day, Business Day Convention, Day Count Fractions and other adjustments

In these Terms and Conditions:

- (a) "**Austraclear Regulations**" means the rules and regulations, together with any instructions or directions, established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System.
- (b) "**Austraclear System**" means the system operated by Austraclear Ltd (ABN 94 002 060 773) ("**Austraclear**") for holding securities and the electronic recording and settling of transactions in those securities between members of that system.
- (c) "**BBSW Rate**" means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the "AVG MID" on the Refinitiv Screen BBSW Page (or any designation which replaces that designation on that page, or any page that replaces that page) at approximately 10.30 am (Sydney time) (or such other time at which such rate customarily appears on that page, including, if corrected, recalculated or republished by the relevant administrator) on the first day of that Interest Period (being the "**Publication Time**"). However, if such rate does not appear on the Refinitiv Screen BBSW Page (or any page that replaces that page) by 10:45 a.m. (Sydney time) on that day (or such other time that is 15 minutes after the then prevailing Publication Time), or
 - (i) if it does appear but the Calculation Agent determines that there is an obvious error in that rate, "**BBSW Rate**" means the rate determined by the Issuer or the Independent Adviser in good faith at approximately 11:00 a.m. (Sydney time) on that day, having regard, to the extent possible, to comparable indices in customary market usage then available; or
 - (ii) if a Benchmark Event has occurred, "**BBSW Rate**" such other Successor Rate or Alternative Rate for BBSW Rate-linked floating rate covered bonds determined in accordance with Condition 4.2(f).

The rate calculated or determined will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001%).

- (d) "**Business Day**" means (A) any day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business

(including dealing in foreign exchange and foreign currency deposits) in Sydney, Australia and any Additional Business Centre specified in the applicable Pricing Supplement and (B) if TARGET2 is specified in the applicable Pricing Supplement as a relevant Additional Business Centre, a day which is a TARGET2 Business Day.

- (e) If a "**Business Day Convention**" is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur, or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:
- (i) in any case where Interest Periods are specified in accordance with Condition 4.2(a)(ii) (Interest on Floating Rate Australian Covered – Interest Payment Dates), the "**Floating Rate Convention**", such Interest Payment Date (1) in the case of (x) above, will be the last day that is a Business Day in the relevant month and the provisions of (II) below will apply *mutatis mutandis*, or (2) in the case of (y) above, will be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (I) such Interest Payment Date will be brought forward to the immediately preceding Business Day, and (II) each subsequent Interest Payment Date will be the last Business Day in the month which falls on the Interest Period after the preceding applicable Interest Payment Date occurred; or
 - (ii) the "**Following Business Day Convention**", such Interest Payment Date will be postponed to the next day which is a Business Day; or
 - (iii) the "**Modified Following Business Day Convention**", such Interest Payment Date will be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date will be brought forward to the immediately preceding Business Day; or
 - (iv) the "**Preceding Business Day Convention**", such Interest Payment Date will be brought forward to the immediately preceding Business Day.

provided that if "ISDA Determination", "2021 ISDA Definitions" and "Unscheduled Holiday" are applicable in the applicable Pricing Supplement, then in the case where Modified Following Business Day Convention, Modified Business Day Convention, Preceding Business Day Convention, FRN Convention, Floating Rate Convention or Eurodollar Convention apply to a particular date and that date would otherwise fall on a day that is not a Business Day as a result of an Unscheduled Holiday (as defined in the 2021 ISDA Definitions but disregarding references to Valuation Business Day and Exercise Business Day and construing references to the Confirmation to mean the applicable Final Terms) notwithstanding the provisions of (i) to (iv) above, such day will instead fall on the first following day that is a Business Day.

- (f) "**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:
- (i) if "Actual/Actual (ICMA)" is specified in the applicable Pricing Supplement, a fraction equal to "number of days accrued/number of days in year", as such terms are used in Rule 251 of the statutes, by-laws, rules and recommendations of the International Capital Market Association (the "**ICMA Rule Book**"), calculated in accordance with Rule 251 of the ICMA Rule Book as applied to non-U.S. Dollar denominated straight and convertible bonds issued after 31 December 1998, as though the interest coupon on a bond has been calculated for a coupon period corresponding to the Interest Period;

- (ii) if "Actual/Actual or Actual/Actual (ISDA)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366, and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (iii) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (iv) if "Actual/365 (Sterling)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (vi) if "Actual/360 (Observation Period)" is specified in the applicable Pricing Supplement, the actual number of days in the Observation Period divided by 360;
- (vii) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + D_2 - D_1}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as number, in which the day immediately following the last day included in the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30; and

- (viii) if "30E/360" or "Eurobond Basis" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + D_2 - D_1}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (ix) if "Australian Bond Basis" or "RBA Bond Basis" is specified in the applicable Pricing Supplement, one divided by the number of Interest Payment Dates in a year (or where the Determination Period does not constitute an Interest Period, the actual number of days in the Determination Period divided by 365 (or, if any portion of the Determination Period falls in a leap year, the sum of:
 - (A) the actual number of days in that portion of the Determination Period falling in a leap year divided by 366; and
 - (B) the actual number of days in that portion of the Determination Period falling in a non-leap year divided by 365)); or
- (x) such other Day Count Fraction as may be specified in the applicable Pricing Supplement.
- (g) "**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).
- (h) "**Independent Advisor**" has the meaning specified in Condition 4.2(f)(vii).
- (i) "**Interest Period**" means (i) the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date provided that the final Interest Period shall end on but exclude the Final Maturity Date or the Extended Due for Payment Date, as applicable or (ii) such other period (if any) in respect of which interest is to be calculated being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which in the case of the schedule final or early redemption of any Australian Covered Bonds, shall be such redemption date and in other cases where the relevant Australian Covered Bonds become due and payable following an Issuer Event of Default or a Guarantor Event of Default, shall be the date on which such Australian Covered Bonds become due and payable).

- (j) **"Principal Amount Outstanding"** means, in respect of an Australian Covered Bond, on any day, the principal amount of that Australian Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant Holder in respect thereof on or prior to that day.
- (k) If "adjusted" is specified in the applicable Pricing Supplement against the Day Count Fraction, interest in respect of the relevant Interest Period will be payable in arrear on the relevant Interest Payment Date and calculated from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, as such Interest Payment Date will, where applicable, be adjusted in accordance with the Business Day Convention.
- (l) If "not adjusted" is specified in the applicable Pricing Supplement against the Day Count Fraction, interest in respect of the relevant Interest Period will be payable in arrear on the relevant Interest Payment Date and calculated from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, but such Interest Payment Dates will not be adjusted in accordance with any Business Day Convention.
- (m) **"sub unit"** means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (n) **TARGET2** means the Trans-European Real-Time Gross Settlement Express Transfer (TARGET2) System (or any successor thereto).
- (o) **TARGET2 Business Day** means a day on which TARGET2 is open.

5. Payments

Payments of principal and interest in respect of Australian Covered Bonds will be made in Sydney in Australian dollars to, or to the order of, the persons who, on the relevant Record Date (as defined below), are registered as the Holders of such Australian Covered Bonds or (if so required by the Bond Trustee by notice in writing following the occurrence of an Issuer Event of Default, Potential Issuer Event of Default, Guarantor Event of Default or Potential Guarantor Event of Default in accordance with the Trust Deed or following receipt by the Bond Trustee of any money which it proposes to pay under Article 11 of the Trust Deed) to the Bond Trustee, subject in all cases to all applicable laws and regulations (without prejudice to Condition 8 (Prescription)).

Payments to Holders in respect of the Australian Covered Bonds will be made: (i) if the Australian Covered Bond is held by Austraclear and entered in the Austraclear System, by crediting on the relevant Interest Payment Date, the Maturity Date or other date on which payment is due the amount then due to the account or accounts (which must be in Australia unless otherwise agreed by the Issuer) to which payments should be made in accordance with the Austraclear Regulations or as otherwise agreed with Austraclear; and (ii) if the Australian Covered Bond is not held by Austraclear and entered in the Austraclear System, by crediting on the Interest Payment Date, the Maturity Date or other date on which payment is due, the amount then due to an account (which must be in Australia) previously notified by the Holders of the Australian Covered Bond to the Issuer and the Australian Agent.

The Issuer is regarded as having made payment on an Australian Covered Bond to an account upon the giving of all necessary instructions for the transfer of the relevant funds to the account so long as: (a) the payment is actually made in accordance with such instructions; or (b) if instructions for the transfer are not given effect to in accordance with normal banking procedures because the account does not exist or is not an account to which the relevant payment may be made or because the details of the account do not match the details recorded in the Register, the Issuer cancels the transfer instruction and pays the relevant amount to an account in Australia specified by the relevant Holder (net of any applicable deduction or withholding) upon

being furnished by the Holder with appropriate account details and evidence of entitlement satisfactory to the Issuer and the Australian Agent.

If (after the application of any applicable business day convention) any day for payment in respect of any Australian Covered Bond is not a Business Day in the city in which the account is located, such payment shall not be made until the next following day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment. No commissions or expenses shall be charged to the Holders of Australian Covered Bonds in respect of such delay.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto but without prejudice to the provisions of Condition 7 (Taxation) and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "Code") or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or (without prejudice to the provisions of Condition 7 (Taxation)), any Law implementing an intergovernmental approach thereto. If at any time payment in Australia is prohibited by Law, the Issuer will nominate another place outside Australia where payment is to be made.

In this Condition, "**Business Day**" means any day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, Australia; and "**Record Date**" means, in the case of payments of principal or interest, close of business in Sydney, Australia on the date which is the eighth calendar day before the due date of the relevant payment of principal or interest.

Payment of any amount to the Bond Trustee shall discharge the obligation of the Issuer to pay the corresponding amount to the Holder. The Issuer's obligation may also be discharged as provided in the Trust Deed.

No commissions or expenses shall be charged to the Holders of Australian Covered Bonds in respect of such payments.

Notwithstanding the foregoing, the relevant provisions relating to the payment of Australian Covered Bonds the terms of which permit the Issuer to pay and/or discharge its obligations with respect of such Australian Covered Bonds by the payment or delivery of securities and/or other property or any combination of cash, securities and/or other property shall be set forth in the applicable Pricing Supplement. Any such payment and/or discharge shall not in any way relieve the Guarantor from its obligations with respect to any other Series of Covered Bonds or directly or indirectly afford the Holders of Australian Covered Bonds any priority over any other Series of Covered Bonds in respect of the assets of the Issuer.

Any reference in these Terms and Conditions to principal in respect of the Australian Covered Bonds will be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7 (Taxation) or under any undertakings or covenants given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Australian Covered Bonds;
- (c) the Early Redemption Amount of the Australian Covered Bonds, but excluding any amount of interest referred to therein;
- (d) the Optional Redemption Amount(s) (if any) of the Australian Covered Bonds;

- (e) any premium and any other amounts (other than interest) which may be payable under or in respect of the Australian Covered Bonds; and
- (f) any Excess Proceeds attributable to principal which may be deposited by the Bond Trustee into the GDA Account in respect of the Australian Covered Bonds, and following a Guarantor Event of Default and service of a Guarantor Acceleration Notice deposited or paid in such other manner as the Bond Trustee may direct.

Any reference in these Terms and Conditions to interest in respect of the Australian Covered Bonds will be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (Taxation) or under any undertakings given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

6. Redemption and Purchase

6.1 Final redemption

Unless previously redeemed or purchased and cancelled as specified below, each Australian Covered Bond will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Final Maturity Date.

Without prejudice to Program Term **Error! Reference source not found.** (Events of Default, Acceleration and Enforcement), if an Extended Due for Payment Date is specified in the applicable Pricing Supplement for a Series of Australian Covered Bonds and the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Pricing Supplement (in each case after the expiry of the grace period set out in Program Term **Error! Reference source not found.** (Issuer Events of Default)) and following service of a Notice to Pay on the Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Guarantor has insufficient funds available under the Guarantee Priorities of Payments to pay the Guaranteed Amounts corresponding to the Final Redemption Amount in full in respect of the relevant Series of Australian Covered Bonds on the date falling on the earlier of (a) the date which falls two Toronto Business Days after service of a Notice to Pay on the Guarantor or, if later, the Final Maturity Date (in each case after the expiry of the grace period set out in Program Term **Error! Reference source not found.**), and **Error! Reference source not found.** (Guarantor Events of Default) the Extension Determination Date, under the Covered Bond Guarantee, then (subject as provided below) payment of the unpaid portion of the Final Redemption Amount by the Guarantor under the Covered Bond Guarantee will be deferred until the Extended Due for Payment Date, provided that any amount representing the Final Redemption Amount due and remaining unpaid on the earlier of (a) and (b) above will be paid by the Guarantor to the extent it has sufficient funds available under the Guarantee Priorities of Payments on any Interest Payment Date thereafter up to (and including) the relevant Extended Due for Payment Date.

The Issuer will confirm to the Australian Agent as soon as reasonably practicable and in any event at least four Business Days prior to the Final Maturity Date of a Series of Australian Covered Bonds whether (a) payment will be made in full of the Final Redemption Amount in respect of a Series of Australian Covered Bonds on that Final Maturity Date or (b) payment will not be made in full of the Final Redemption Amount in respect of a Series of Australian Covered Bonds on that Final Maturity Date. Any failure by the Issuer to notify the Australian Agent will not affect the validity or effectiveness of the extension.

The Guarantor will notify the relevant Holders (in accordance with Condition 13 (Notices)), the Rating Agencies, the Bond Trustee and the Australian Agent as soon as reasonably practicable and in any event at least one Business Day prior to the date specified in (a) or (b) of the second preceding paragraph (as appropriate) of any inability of the Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of a Series of Australian Covered Bonds pursuant to the Covered Bond

Guarantee. Any failure by the Guarantor to notify such parties will not affect the validity or effectiveness of the extension nor will any rights accrue to any of them by virtue thereof.

In the circumstances outlined above, the Guarantor will on the earlier of (a) the date falling two Toronto Business Days after service of a Notice to Pay or, if later, the Final Maturity Date (in each case after the expiry of the grace period set out in Program Term **Error! Reference source not found.**), and **Error! Reference source not found.** the Extension Determination Date, under the Covered Bond Guarantee, apply the funds (if any) available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priorities of Payments) *pro rata* in part payment of an amount equal to the Final Redemption Amount of each Australian Covered Bond of the relevant Series of Australian Covered Bonds and will pay Guaranteed Amounts constituting the corresponding part of Scheduled Interest in respect of each such Australian Covered Bond on such date. The obligation of the Guarantor under the Covered Bond Guarantee to pay any amounts in respect of the balance of the Final Redemption Amount not so paid will be deferred as described above. Such failure to pay by the Guarantor will not constitute a Guarantor Event of Default.

Any discharge of the obligations of the Issuer as a result of the payment of Excess Proceeds to the Bond Trustee will be disregarded for the purposes of determining the liabilities of the Guarantor under the Covered Bond Guarantee in connection with this Condition 6.1 (Final redemption).

6.2 Redemption for taxation reasons

The Australian Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time (if the relevant Australian Covered Bond is not a Floating Rate Australian Covered Bond) or on any Interest Payment Date (if the relevant Australian Covered Bond is a Floating Rate Australian Covered Bond), on giving not less than 30 nor more than 60 days' notice to the Bond Trustee and, in accordance with Condition 13 (Notices), the Holders (which notice will be irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that on the occasion of the next date for payment of interest on the relevant Australian Covered Bonds, that the Issuer is or would be required to pay additional amounts as provided or referred to in Condition 7 (Taxation). Australian Covered Bonds redeemed pursuant to this Condition 6.2 (Redemption for taxation reasons) will be redeemed at their Early Redemption Amount referred to in Condition 6.7 (Early Redemption Amounts) together (if appropriate) with interest accrued to (but excluding) the date of redemption.

6.3 Redemption at the option of the Issuer ("Issuer Call")

If an Issuer Call is specified in the applicable Pricing Supplement, the Issuer may, having given not less than 15 nor more than 30 days' notice or such other period of notice as may be specified in the applicable Pricing Supplement to the Bond Trustee, the Australian Agent, the Registrar (in the case of the redemption of Registered Covered Bonds) and, in accordance with Condition 13 (Notices), the Holders (which notice will be irrevocable) redeem all or only some of the Covered Bonds then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date(s). The Issuer will be bound to redeem the Australian Covered Bonds on the date specified in such notice. In the event of a redemption of only some of the Australian Covered Bonds, such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount (if any) as specified in the applicable Pricing Supplement. In the case of a partial redemption of Australian Covered Bonds, the Australian Covered Bonds to be redeemed (the "**Redeemed Australian Covered Bonds**") will be selected individually by lot not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). No exchange of the relevant Australian Covered Bond will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 6.3 (Redemption at the Option of the Issuer) and notice to that effect will be given by the Issuer to the Holders in

accordance with Condition 13 (Notices) at least five days (or such shorter period as is specified in the applicable Pricing Supplement) prior to the Selection Date.

6.4 Redemption at the option of the Covered Bondholders ("Investor Put")

If an Investor Put is specified in the Pricing Supplement for an Australian Covered Bond, then if and to the extent specified in the applicable Pricing Supplement, upon the Holder giving to the Issuer, in accordance with Condition 13 (Notices), not less than 30 nor more than 60 days' notice (which notice will be irrevocable), the Issuer will, upon the expiry of such notice provided that the Cash Manager has notified the Bond Trustee in writing that there will be sufficient funds available to pay any termination payment due to the Covered Bond Swap Provider, redeem subject to, and in accordance with, the terms specified in the applicable Pricing Supplement in whole (but not in part) such Australian Covered Bond on the Optional Redemption Date and at the relevant Optional Redemption Amount as specified in, or determined in the manner specified in, the applicable Pricing Supplement, together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date.

To exercise the right to require redemption of an Australian Covered Bond, the Holder must deliver on any Business Day falling within the above mentioned notice period at the specified office of any Australian Agent a duly signed and completed notice of exercise of the Investor Put in the form (for the time being currently) obtainable from any specified office of any Australian Agent (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition 6.4 (Redemption at the option of the Covered Bondholders ("Investor Put")).

It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Pricing Supplement.

6.5 Redemption due to illegality or invalidity

Pursuant to the Trust Deed, the Australian Covered Bonds are also redeemable at the option of the Issuer in certain circumstances where the Transaction Documents may not be lawfully performed. The Issuer is entitled to effect such redemption under these Conditions.

For a description of these circumstances see Program Term 2.1 on page 10 of the Information Memorandum.

6.6 General

Prior to the publication of any notice of redemption pursuant to Conditions 6.2 (Redemption for taxation reasons) or 6.5 (Redemption due to illegality or invalidity), the Issuer will deliver to the Bond Trustee a certificate signed by two authorised signatories stating that the Issuer is entitled or required to effect such redemption and setting forth a statement of facts showing that the conditions set out in Conditions 6.2 (Redemption for taxation reasons) or, as the case may be, 6.5 (Redemption due to illegality or invalidity) for such right or obligation (as applicable) of the Issuer to arise have been satisfied and the Bond Trustee will be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions set out above, in which event it will be conclusive and binding on all Holders.

6.7 Early Redemption Amounts

For the purpose of Program Terms **Error! Reference source not found.** (Redemption due to illegality and invalidity) and 3 (Events of Default, Acceleration and Enforcement) and Conditions 6.2 (Redemption for Taxation Reasons) and 9 (Events of Default, Acceleration and Enforcement), each Australian Covered Bond will be redeemed (unless otherwise stated in the applicable Pricing Supplement) at its Early Redemption Amount calculated at the amount specified in, or determined in the manner specified in, the applicable

Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at its Principal Amount Outstanding, together with interest accrued to (but excluding) the date fixed for redemption.

6.8 Purchases

The Issuer or any of its Subsidiaries, or the Guarantor, may at any time purchase or otherwise acquire Australian Covered Bonds at any price in the open market either by tender or private agreement or otherwise. Such Australian Covered Bonds may be held, reissued, resold or, at the option of the Issuer or the relevant Subsidiary, cancelled (except that any Australian Covered Bonds purchased or otherwise acquired by the Guarantor must immediately be cancelled).

6.9 Cancellation

All Australian Covered Bonds which are redeemed will forthwith be cancelled. All Australian Covered Bonds so cancelled and any Australian Covered Bonds purchased or otherwise acquired and cancelled pursuant to Condition 6.8 (Purchases) cannot be reissued or resold.

6.10 Late Payment

If any amount payable in respect of any Australian Covered Bond is improperly withheld or refused upon its becoming due and payable or is paid after its due date, the amount due and payable in respect of such Australian Covered Bond (the "**Late Payment**") will itself accrue interest (both before and after any judgment or other order of a court of competent jurisdiction) from (and including) the date on which such payment was improperly withheld or refused or, as the case may be, became due, to (but excluding) the Late Payment Date in accordance with the rate determined in accordance with Condition 4.1 (Interest on Fix Rate Covered Bonds) or 4.2 (Interest on Floating Rate Australian Covered Bonds), as the case may be, in each case on the basis of the Day Count Fraction specified in the applicable Pricing Supplement or, if none is specified, on a 30/360 basis.

For the purpose of this Condition 6.10 (Late Payment), the "**Late Payment Date**" will mean the earlier of:

- (i) the date which the Bond Trustee determines to be the date on which, upon further presentation of the relevant Australian Covered Bond, payment of the full amount (including interest as aforesaid) in the relevant currency in respect of such Australian Covered Bond is to be made; and
- (ii) the seventh day after notice is given to the relevant Holder (whether individually or in accordance with Condition 13 (Notices)) that the full amount (including interest as aforesaid) in the relevant currency in respect of such Australian Covered Bond is available for payment,

provided that in the case of both (i) and (ii), upon further presentation thereof being duly made, such payment is made.

7. Taxation

All payments of principal and interest (if any) in respect of the Australian Covered Bonds by or on behalf of the Issuer or the Guarantor under the Covered Bond Guarantee, as the case may be, will be made without withholding or deduction for, or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature unless such withholding or deduction of such taxes, duties, assessments or governmental charges is required by Law or regulation or administrative practice of any jurisdiction.

In the event that any payments made by the Issuer are or become subject to a withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of (i) the Government of Canada or any province, territory or political division thereof or any authority or agency therein or thereof having power to tax, or (ii) in the case of Australian Covered Bonds issued by a branch of the Issuer located outside of Canada, the country in which such branch is located or any political subdivision thereof or any authority or agency therein or thereof having power to tax, in respect of any payment of principal and interest on the Australian Covered Bonds, the Issuer will pay such additional amounts as will be necessary in order that the net amounts received by the Holders after such withholding or deduction will equal the respective amounts of principal and interest, if any, which would otherwise have been receivable in respect of the Australian Covered Bonds, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts will be payable with respect to any Australian Covered Bond presented for payment:

- (a) to, or to a third party on behalf of, a Holder who is liable to such taxes, duties, assessments or government charges in respect of such Australian Covered Bond by reason of such Holder having some connection with Canada or the jurisdiction imposing such tax otherwise than the mere holding of such Australian Covered Bond;
- (b) to, or to a third party on behalf of, a Covered Bondholder or Couponholder who is a “specified non-resident shareholder” of the Issuer for purposes of the Income Tax Act a non-resident person not dealing at arm’s length for purposes of the Income Tax Act with a “specified shareholder” (within the meaning of subsection 18(5) of the Income Tax Act) of the Issuer;
- (c) with respect to any estate, inheritance, gift, sale, transfer, personal property or similar tax or other governmental charge;
- (d) for which payment is made more than 30 days after the Relevant Date except to the extent that the Holder thereof would have been entitled to such additional amount on presenting the same for payment on or before such thirtieth day;
- (e) to, or to a third party on behalf of, a Holder of an Australian Covered Bond in respect of whom such tax, duty, assessment or governmental charge is required to be withheld or deducted by reason of such Holder of an Australian Covered Bond being a person not dealing at arm's length (within the meaning of Income Tax Act) or being a person who is a “specified entity” (as defined in proposed subsection 18.4(1) of the Income Tax Act contained in proposals to amend such Act released on 29 April 2022) in respect of the Issuer;
- (f) to, or to a third party on behalf of, a Holder who is liable for such taxes, duties, assessments or other charges by reason of such Holder's failure to comply with any certification, identification, documentation or other reporting requirement concerning the nationality, residence, identity or connection with Canada of such Holder, if (i) compliance is required by Law as a precondition to, exemption from, or reduction in the rate of, the tax, assessment or other charge and (ii) the Issuer has given such Holder or, if such Holder is not the beneficial owner of the Australian Covered Bond in question, the beneficial owner of such Australian Covered Bond at least 30 days' notice that such Holder or beneficial owner will be required to provide such certification, identification, documentation or other requirement; or
- (g) in the case of any combination of the foregoing.

As used herein, the "**Relevant Date**" means the date on which payment in respect of the Australian Covered Bond first becomes due and payable but, if the full amount of the funds payable on such date has not been received by the Australian Agent or the Bond Trustee on or prior to such date, the Relevant Date will be the date on which such funds will have been so received and notice to that effect has been given to Holders in accordance with Condition 13 (Notices).

If any payments made by the Guarantor under the Covered Bond Guarantee are or become subject to any withholding or deduction on account of any taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Canada, or in the case of Covered Bonds issued by a branch of the Issuer located outside of Canada, the country in which such branch is located or any political sub division thereof or by any authority therein or thereof having power to tax, the Guarantor will not be obliged to pay any additional amount as a consequence.

8. Prescription

The Australian Covered Bonds will become void unless presented for payment within 10 years (in the case of principal) and five years (in the case of interest) in each case from the Relevant Date (as defined in Condition 7 (Taxation)) therefor, subject in each case to the provisions of Condition 5 (Payments).

The Issuer will be discharged from its obligation to pay interest on an Australian Covered Bond to the extent that a cheque which has been duly dispatched in the Specified Currency remains uncashed at the end of the period of five years from the Relevant Date in respect of such payment.

9. Events of Default, Acceleration and Enforcement

Pursuant to the Trust Deed, the Holders may take, or require the Bond Trustee to take, certain actions provided for in the Trust Deed upon the occurrence of certain Issuer Events of Default and Guarantor Events of Default specified in the Trust Deed.

For a description of the Issuer Events of Default and Guarantor Events of Default applicable to the Australian Covered Bonds and the action that may be taken under the Trust Deed or other Transaction Documents see Program Terms 3.1 (Issuer Events of Default), 3.2 (Guarantor Events of Default) and 3.3 (Enforcement) pages 15 to 18 (inclusive) of the Australian Information Memorandum.

10. [Reserved]

11. The Australian Agent and Calculation Agent

The Issuer is entitled, with the prior written approval of the Bond Trustee, to vary or terminate the appointment of the Australian Agent and the Calculation Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be an Australian Agent and, if required by the Pricing Supplement, a Calculation Agent; and
- (b) the Issuer will, so long as any Australian Covered Bond is outstanding, maintain an Australian Agent and, if required by the Pricing Supplement, a Calculation Agent (which may be the Australian Agent) having a specified office in a city in New South Wales or Melbourne, Australia approved by the Bond Trustee.

In acting under the Agency Agreement, the Australian Agent and Calculation Agent act solely as agents of the Issuer and the Guarantor and, in certain circumstances specified therein, of the Bond Trustee and do not assume any obligation to, or relationship of agency or trust with, any Holder of any Australian Covered

Bonds. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

12. [Reserved]

13. Notices

Notices to Holders shall be published in a leading daily newspaper of general circulation in Australia. It is expected that such notices will normally be published in *The Australian Financial Review*. Any such notice will be deemed to have been validly given to the Holders on the date of such publication.

Notices to Holders will also be deemed to be validly given if sent by first class mail (or equivalent) or, if posted to an overseas address, by air mail to them (or, in the case of joint Holders, to the first named in the Australian Register) at their respective addresses as recorded in the Australian Register, and will be deemed to have been given on the fourth day after the date of such mailing.

Notwithstanding the foregoing provisions of this Condition 13 (Notices), if the Australian Covered Bond is held by Austraclear and entered in the Austraclear System, notices to Holders may, or a copy of any notice published or given in accordance with foregoing provisions of this Condition 13 (Notices) must, be physically delivered to Austraclear for communication by Austraclear to the persons shown in their records as having interests in the Australian Covered Bond.

14. Meetings of Covered Bondholders, Modification, Waiver and Substitution

The Trust Deed contains provisions for convening meetings of the Holders of the Australian Covered Bonds and other covered bonds issued under the Program (including at a physical location or by means of an electronic platform (such as a conference call or videoconference) or a combination thereof) to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Terms and Conditions or the provisions of the Trust Deed. The rights of Holders under these Terms and Conditions are subject to modification, waiver or other action pursuant to these provisions.

For a description of the meeting provisions see Program Term 4 (Meetings of Covered Bondholders, Modification, Waiver and Substitution) on pages 19 to 21 (inclusive) of the Information Memorandum.

15. Indemnification of Bond Trustee. Contracting with the Issuer and/or the Guarantor

The Trust Deed and the Security Agreement contain provisions for the indemnification of the Bond Trustee and for relief from responsibility and certain other matters pertaining to the Bond Trustee, including provisions relieving the Bond Trustee from taking any action unless indemnified and/or secured to the satisfaction of the Bond Trustee.

For a description of the provisions relating to the indemnity of the Bond Trustee see Program Term 5 (Indemnification of Bond Trustee, Contracting with the Issuer and/or the Guarantor) on pages 21 to 22 of the Information Memorandum.

16. Further Issues

The Issuer will be at liberty from time to time (but subject to these Terms and Conditions), without the consent of the Holders of any Australian Covered Bonds or any Secured Creditors to create and issue further Australian Covered Bonds having the same terms and conditions as such Australian Covered Bonds of any Series or the same in all respects and guaranteed by the Guarantor save for the amount and date of the first

payment of interest thereon, Issue Date and/or Issue Price and so that the same will be consolidated and form a single Series with the outstanding Australian Covered Bonds of such Series.

17. Rating Agency Condition

For a description of the provisions relating to the Rating Agency Condition see Program Term 6 (Rating Agency Condition) on pages 22 to 23 of the Information Memorandum.

18. Governing Law and Jurisdiction

The Trust Deed, the Agency Agreement (which has been supplemented by the Supplemental Agency Agreement), the Covered Bonds (other than the Australian Covered Bonds), the Program Agreement, the Security Agreement, the Mortgage Sale Agreement, the Servicing Agreement, the Guarantor Agreement, the Intercompany Loan Agreement, the Subordinated Loan Agreement, the Cash Management Agreement, the Cover Pool Monitor Agreement, the Bank Account Agreement, the Standby Bank Account Agreement, the Guaranteed Deposit Account Contract, the Standby Guaranteed Investment Contract and the Title Registration Agreement will be governed by and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein, unless otherwise indicated.

The Australian Covered Bonds, the Australian Deed Poll and these Terms and Conditions are governed by, and shall be construed in accordance with, the Law in force in New South Wales, Australia.

In the case of Australian Covered Bonds, the Issuer has irrevocably agreed for the benefit of Holders that the courts of New South Wales, Australia and courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Australian Covered Bonds, the Australian Deed Poll and these Terms and Conditions and that accordingly any suit, action or proceedings arising out of or in connection with the Australian Covered Bonds, the Australian Deed Poll and these Terms and Conditions (together referred to as "**Australian Proceedings**") may be brought in such courts.

For so long as any Australian Covered Bonds are outstanding, the Issuer will maintain an agent (originally as specified in the relevant Pricing Supplement) to accept service of process on its behalf in New South Wales in respect of any legal action or proceedings as may be brought in the courts of New South Wales, Australia or the federal courts of Australia. If such agent ceases to act the Issuer will appoint another agent.